Management Presentation

Project Scampi

December 2019

Legal Disclaimer

TBU – Check with Legal and Florida Counsel to see if an update is needed

This Confidential Information Presentation (the "CIP") is intended solely for the use of prospective respondents (the "Respondents") in determining whether or not to pursue the Invitation to Negotiate #127-19 for Strategic Alternatives (the "ITN") by JEA (also referred to as the "Company"). This CIP is of a proprietary and confidential nature, and is only being furnished to those Respondents who have agreed to be bound by the terms and conditions of the Non-Disclosure Agreement. Capitalized terms used but not otherwise defined herein shall have the respective meanings in the ITN.

By accepting this CIP, the recipient agrees that it will, and it will cause its directors, officers, managers, employees and representatives to use this CIP and all of the information contained herein only to evaluate a negotiated transaction with the Company and for no other purpose and shall return this CIP, together with any copies, to the Designated Procurement Representatives upon request. This CIP contains confidential material that is non-public information concerning the Company. Receipt of this CIP constitutes your acknowledgment that you will maintain the information contained herein in strict confidence. By accepting this CIP, the recipient acknowledges and agrees that the confidential nature of this CIP and any potential transaction may be limited by Florida Public Records Laws.

This CIP has been prepared for discussion purposes relating to the ITN only and is being delivered subject to the terms, and the prior execution, of a non-disclosure agreement (the "Non-Disclosure Agreement") between you and the Company. Nothing herein is intended to in any way modify, amend, or supersede any of the terms and conditions set forth in the Non-Disclosure Agreement, which agreement remains in full force and effect in accordance with its terms. In the event of any conflict or inconsistency between the Non-Disclosure Agreement and this CIP, the provisions of the Non-Disclosure Agreement shall, in all respects, govern and control. IF YOU HAVE NOT EXECUTED AND DELIVERED A NON-DISCLOSURE AGREEMENT, YOU HAVE RECEIVED THIS CIP IN ERROR. IF SO, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE, AND RETURN THIS CIP TO US.

This CIP does not constitute nor does it form part of an offer to sell or the solicitation of an offer to buy any securities or assets of the Company, nor should this CIP be construed to indicate that the business of the Company remains unchanged since the date of this CIP.

Certain information contained herein is from public or other sources. The Company and the Designated Procurement Representatives have not independently verified any of such information. This CIP includes certain statements, estimates, and projections provided by the Company with respect to its anticipated future performance. Such statements, estimates, and projections reflect various assumptions concerning anticipated results, which assumptions may or may not prove to be correct. Such projections and estimates are not necessarily indicative of current value or future performance, which may be significantly more or less favorable than as reflected herein.

Each of the Company, J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC (collectively, the "Advisors") expressly disclaims any and all liability which may be based on the information contained herein, or any errors herein or omissions herefrom.

This CIP does not purport to contain all of the information that may be required to evaluate such a transaction and any recipient hereof should conduct its own independent analysis of the Company and the data contained or referred to herein. In furnishing this CIP, neither the Company nor its Advisors undertake any obligation to provide additional information or to correct or update any of the information set forth in this CIP. Neither the Company nor its Advisors make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this CIP, or made available, orally or in writing, in connection with any further investigation of the Company, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future. The recipient should rely solely on the representations and warranties made to it by the Company in any executed definitive agreement.

As a public body politic and corporate, the Company is subject to Florida's broad Public Record Laws as found in Article I. Section 24 of the Florida Constitution, and Chapters 119 and 286 of the Florida Statutes.

Recipients agree to comply with JEA's Procurement Code and Florida's public procurement laws, which, among other things, prohibit certain communications during the procurement process and any subsequent appeals period. For additional information regarding the procurement process and prohibited communications, please refer to Section 2 of the ITN, as modified and supplemented by Addendum 2 and Addendum 3.

Subject to the JEA Procurement Code and the terms of the ITN, the Company undertakes no obligation to provide the recipient with access to additional information and reserves the right, without advance notice, to negotiate with one or more Respondents, to change the procedures for any transaction, to terminate negotiations at any time prior to the signing of a definitive agreement for a transaction, to enter into such agreements with any other party, and to exercise any such other rights as are reserved in the ITN. Nothing herein is intended to in any way modify, amend, or supersede any of the terms and conditions set forth in the ITN.

The Advisors are acting as exclusive financial advisers to the Company in relation to the proposed transaction, will not regard any other person (whether a recipient of this CIP or not) as a client in relation to the proposed transaction and will not be responsible to anyone other than the Company for providing the protections afforded to clients of the Advisors nor for providing advice to any such other person. Any person considering entering into the proposed transaction: (i) may not rely on this CIP in determining any course of action in relation to the proposed transaction or otherwise; and (ii) must seek its own independent financial advice.

Inquiries should be directed only to the below named persons. Under no circumstances should the Company or any of its employees, customers, lenders, or vendors be contacted directly. If you have any questions or need additional information, please contact the Designated Procurement Representatives as set forth on page 8.

Today's Presenters

Presenter / Title	Experience	Negotiating Team
 **Aaron Zahn** Managing Director and Chief Executive Officer	• Mr. Zahn oversees all operations for one of the largest public utilities in the nation, providing electric, water and sewer services to customers across a 900-mile service territory in Northeast Florida • Previously, served as the CEO of Pascal Partners, a distributed infrastructure investment and development company • Prior to that, he was the CEO of BCR Environmental Corporation, a water/wastewater technology firm and public-private-partnership development and operations company • Graduated from Yale University in 2001	
 **Melissa Dykes** President and Chief Operating Officer	• She leads the operation of the utility, responsible for providing reliable, affordable, safe utility services to more than one million people across four counties • Ms. Dykes served as JEA's Chief Financial Officer for nearly six years prior to her current role • Previously, Ms. Dykes served as CFO of a portfolio company of a large energy private equity firm and a principal in a renewable energy development company • Ms. Dykes also served as Vice President in Investment Banking at JPMorgan, where she was responsible for providing capital solutions for clients, including more than $26 billion in financings for municipal electric and water systems • Graduate of the University of Florida and holds a certificate in Advanced Management from the Tuck School of Business at Dartmouth	✓
 **Ryan F. Wannemacher** Chief Financial Officer	• He provides leadership to ensure fiscal responsibility for the long-term financial health of JEA, resulting in access to capital at low cost for JEA's customers • He is responsible for all aspects of JEA's finances, including treasury, financial reporting, financial planning and analysis, and budgeting, insurance risk management, as well as corporate strategy • Prior to being CFO, served as JEA's Director in Financial Planning and Analysis • Mr. Wannemacher previously served as Vice President in Investment Banking at JPMorgan, responsible for providing capital solutions for clients, including over $20 billion in financings for many municipal electric, water and natural gas systems • Holds a B.B.A. in Financial Consulting from Southern Methodist University	

Today's Presenters (cont'd)

Presenter / Title	Experience	Negotiating Team
 **Herschel Vinyard** Chief Administrative Officer	• Mr. Vinyard oversees corporate compliance, legal, environmental and government affairs, in addition to serving as a strategic advisor to JEA's senior leadership team • Prior to joining JEA, Mr. Vinyard served as Of Counsel for Foley & Lardner LLP in both its Government Solutions and Environmental Regulation Practices • Mr. Vinyard previously served as Secretary of the Florida Department of Environmental Protection under Governor Rick Scott from 2011-2014, where he was involved in all aspects of state-level environmental policy and regulation • Received his law degree and bachelor's degree from Louisiana State University	✓
 **Lynne Rhode** Vice President & Chief Legal Officer	• Ms. Rhode practiced transactional regulatory and corporate law with Jacksonville-based law firm Driver, McAfee, Hawthorne & Diebenow and environmental law with law firms Troutman Sanders LLP and Williams Mullen • She served as Senior Assistant Attorney General and Section Chief of Environmental and Natural Resources Division of the Virginia Attorney General's Office • She holds a Bachelor of Arts in Economics from the University of North Carolina at Chapel Hill; a Juris Doctor degree from the University of Virginia; and a Master of Science in Regulation from the London School of Economics and Political Science	
 **Kerri Stewart** Vice President & Chief Customer Officer	• Previously, she served as Chief of Staff for Jacksonville, Florida Mayor Lenny Curry, providing policy and public affairs guidance to the mayor • During her years of public service, Ms. Stewart also served as director of the city's Housing and Neighborhoods Department, created the Office of Operational Efficiency, and served as a policy advisor to Mayor Peyton • Graduated from the University of North Florida's Coggin School of Business with a bachelor's degree in Business Administration, double-majoring in Marketing and Management	

Today's Presenters (cont'd)

TBU – More information to be received about Jordan Pope

Presenter / Title	Experience	Negotiating Team
? **Jordan Pope** Director of Real Estate and Economic Development	• TBU [Not enough information online]	✓
 **Paul Steinbrecher** Vice President & Chief Environmental Services Officer	• Mr. Steinbrecher is responsible for leading JEA's Environmental Services group • In this role, he leads the organization in ensuring the highest levels of environmental compliance and incorporation of sustainability into all JEA's planning activities • Mr. Steinbrecher's career has focused on advancing cost-effective environmental and engineering solutions for utilities, business and industry and governments • Serves as President of the Florida Water Environment Association Utility Council and a national board member of the WateReuse Association and a long-term member of the Florida Electric Power Coordinating Group Environmental Committee • Mr. Steinbrecher holds BS and MS degrees in Civil Engineering from Valparaiso University and the University of Arkansas, respectively	
 **Steve McInall** Vice President of Energy and Water Planning	• Steve McInall is responsible for long-term planning for JEA's energy and water sectors, overseeing the development of a more than $1 Billion capital program • Previously, he served as the Director of the Electric Production Resource Planning Department • Prior to joining JEA, Mr. McInall had a 27-year career at several regional and national engineering consulting firms, including Stone & Webster Engineering Corporation, Boston, and MACTEC Engineering and Consulting, in Tallahassee and Jacksonville • Mr. McInall holds Bachelor's and Master's degrees in Nuclear Engineering from the Massachusetts Institute of Technology, and a Master of Public Policy degree from Jacksonville University	

Today's Presenters (cont'd)

Presenter / Title	Experience	Negotiating Team
 **Shawn Eads** Chief Information Officer	• Mr. Eads oversees JEA's enterprise-wide information systems and infrastructure, ensuring they meet current and upcoming organizational goals and positioning JEA as a digital innovator • Prior to joining JEA, Mr. Eads joined worked at GE Appliances, where he served as Senior Director of IT Programs and Business Development • While at GEA, he built a team responsible for cloud and user interfaces in home energy management and Wi-Fi-connected appliances • Mr. Eads earned a bachelor's degree in chemical engineering from Rose-Hulman Institute of Technology in Indiana and an MBA from Xavier University	
 **Ted Hobson** Vice President & Chief Compliance Officer	• Responsible for development, implementation and maintenance of JEA's Compliance Programs including NERC Electrical Standards, NERC Critical Infrastructure Protection (CIP) standards, FACTA regulations and other related federal and state regulations • He is also responsible for JEA's Physical Security department, as well as Audit Services and Enterprise Risk Management • Mr. Hobson's previous position was Director of Energy Delivery, where he was responsible for all electric field activities • Activities included overhead and underground line work, system protection and controls, substation maintenance and the 24-hour operation of the JEA power system • Mr. Hobson holds a BSEE from the University of Florida, and is a registered Professional Engineer in the State of Florida	
 **Jon Kendrick** Vice President & Chief Human Resources Officer	• Responsible for leading JEA's Human Resources groups, which include Recruiting, Compensation, Benefits, Payroll, Labor Relations, Leadership & Development, Safety and Health, Organizational Excellence, and HR Business Partners • He has more than 25 years of human resources experience that spans the healthcare, financial services, transportation and technology industries, including a previous tenure at JEA • He most recently served as Human Resources Director for Yusen Logistics (Americas) Inc. in Jacksonville • He holds a Bachelor of Arts in Economics from the University of Florida and a Master of Divinity from the New Orleans Baptist Theological Seminary	

Today's Presenters (cont'd)

Presenter / Title	Experience	Negotiating Team
 **Caren Anders** Vice President / General Manager, Energy	• She has lead responsibility for producing and delivering energy to JEA's 485,000 electric customers • She and her team are responsible for planning, constructing, operating and maintaining JEA's electric system, including generation plants and transmission, substation and distribution systems • At both Duke and Exelon Corp., she led high-performing teams across the energy spectrum, including Generation, Transmission, Distribution, Emerging Technologies, and Shared Services • Earned a bachelor's degree in engineering from the University of Pennsylvania and a master's degree in finance from Drexel University and is a licensed Professional Engineer in the state of Pennsylvania.	
 **Deryle Calhoun** Vice President / General Manager, Water / Wastewater Systems	• He is responsible for leading JEA's water and wastewater operations, construction and strategy execution, and delivering exceptional service to JEA customers across a four-county area • Mr. Calhoun began his career in water/wastewater in 1993 with the City of Jacksonville Public Utilities as a project engineer and joined JEA in 1997 when the city's water and wastewater services were transferred to JEA • Mr. Calhoun holds a BS in Environmental Engineering from the University of Florida and is a registered Professional Engineer in the State of Florida	
 **John McCarthy** Vice President & Chief Supply Chain Officer	• He is responsible for leading JEA's logistics operations and support services groups. His responsibilities include JEA's facilities, fleet, real estate, procurement, inventory management, investment recovery, emergency management planning and recovery and utility locates groups • Mr. McCarthy joined JEA in 2002 after a successful 20-year career as a U.S. Navy Supply Officer • During his 16 years at JEA, he served in various leadership roles within the logistics groups, including an initial assignment as a Procurement Project Coordinator where he developed an aggregated sourcing model adopted by seven different utility companies • Mr. McCarthy received his B.S. degree from the U.S. Naval Academy and an M.B.A. degree from The Ohio State University	

Rules of the Road

TBD – discuss as a group with Foley

Overview

- TBU

Today's Agenda

1	**Introduction**	*Aaron Zahn, Managing Director and Chief Executive Officer*
2	**Key Investment Highlights**	*Melissa Dykes, President and Chief Operating Officer*
3	**Electric System Overview**	*Caren Anders, Vice President / General Manager, Energy*
4	**Water and Wastewater System Overview**	*Deryle Calhoun, Vice President / General Manager, Water / Wastewater*
5	**Customer Engagement and Community**	*Kerri Stewart, Vice President & Chief Customer Office*
6	**Supply Chain Management**	*John McCarthy, Vice President & Chief Supply Chain Officer*
7	**Planning & Environmental**	*Paul Steinbrecher, Vice President & Chief Environmental Services Officer* *Steve McInall, Vice President of Energy and Water Planning*
8	**IT and Compliance**	*Shawn Eads, Chief Information Officer* *Ted Hobson, Vice President & Chief Compliance Officer*
9	**People / Culture**	*Jon Kendrick, Vice President & Chief Human Resources Officer*
10	**Financial Overview**	*Ryan F. Wannemacher, Chief Financial Officer*
11	**Platform Growth Opportunities**	*Aaron Zahn, Managing Director and Chief Executive Officer* *Ryan F. Wannemacher, Chief Financial Officer* *Melissa Dykes, President and Chief Operating Officer*

Section 1

Introduction

Unique Opportunity of Scale

TBD – Are there particular slides Aaron and the JEA team like to use when giving an overview of the business?

JEA is a unique, best-in-class utility with significant opportunities for growth:

- **Unique Opportunity of Scale** as one of the largest multi-use, government-owned utilities in the U.S. and the largest in Florida

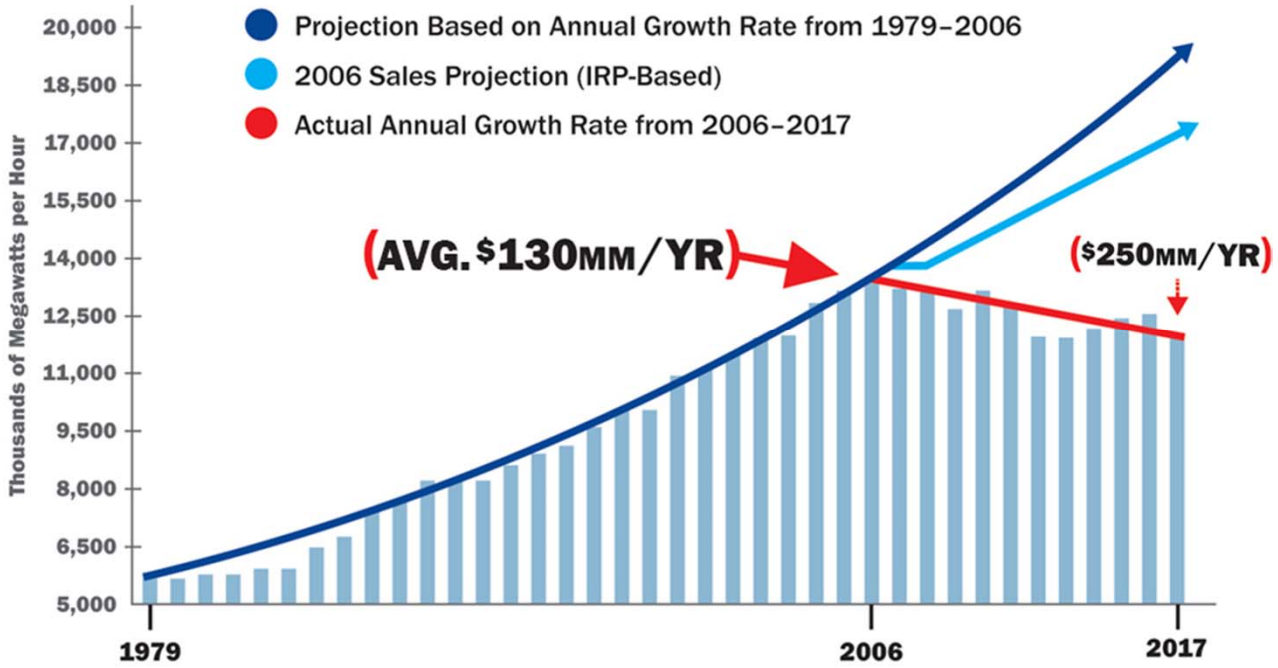
Electric System	Water and Wastewater System	Other Businesses
• Consists of net capital assets of ~$2.7Bn • 900 square miles of service area • 7,061 miles of distribution wires • 744 circuit miles of transmission wires • 5 generation facilities [1] • 13 solar offtake agreements representing 289 MW	• Consists of net capital assets of ~$2.7Bn • 4 county service territory • 100% groundwater supply • 11,031 miles of pipe • 38 active water treatment plants • 11 wastewater treatment facilities • 10 reclaimed water production facilities	<u>District Energy (The "District Energy System")</u> • 4 chilled water plants • Total capacity: 20,700 tons <u>Communications</u> • 675-mile fiber optic network / 40 macro sites / 200,000+ poles <u>St. Johns River Power Park ("SJRPP")</u> • 1,600 acre site in NE Jacksonville • Direct rail and port access

JEA is exploring strategic alternatives to maximize customer, community, environmental and financial value

Note:
1. 4 generation facilities owned & operated by JEA; partial ownership in Plant Scherer Unit 4

Why we are taking action now

2007 to 2017: Loss of $1.4 Billion in Free Cash Flow



JEA was one of the first public power utilities to forecast flat sales

Energy Efficiency Impact

- Energy Efficiency Impacts account for >90% of reduction in electric sales
- 30% lower sales in 2017 than forecasted back in 2006
- City contribution would have been $80 million per year higher

Constraints Set By JEA Charter and Other Applicable Legislation

What other companies do when faced with a cash gap:

Opportunity	Can JEA do this?
Sell more kWhrs or kGals to existing customers	✗
Cut costs and workforce	✓
Increase prices on kWhrs or kGals for customers	✓
Investment in R&D and IP for an ROI	✗
Sell alternative new product lines or offerings	✗
Sell equity and retire debt	✗
Acquire new businesses & customers	✗
Reduce investment in capex	✓
Reduce dividend / city contribution	✗
Sell assets	✗
Create partnerships/JV's	✗

JEA is subject to several constraints due to:

- Constitution of the State of Florida
- Florida Public Service Commission
- City of Jacksonville Charter
- Florida Statutes
- Bond Resolutions
- Policy Considerations
- Business Structure as defined by Charter

Collectively, these constraints limit JEA from diversifying and implementing creative profit generation initiatives and cripples JEA's ability to evolve and remain relevant to address customer and community needs, as well as market and industry trends

JEA's management team took action to respond

We are now more focused then ever to remain relevant to our customers

Internal Stakeholder Alignment (Board, Leadership, Appointed Employees, Unions)

TRANSITION
Develop strategic framework, Guiding Principles, corporate dashboard, financial tools

ESTABLISH BASE LINE
Assess current "business as usual" organizational health and financial projection
"Status Quo"

STRATEGY DEVELOPMENT
Design multiple strategies to meet future targets / challenges:
Mgmt response
Unconstrained plan

FINALIZE EXECUTABLE PLAN
Publish long-term plan with specific tactics and targets

POSITION FOR LONG TERM
Align JEA stakeholders and charter with long-term plan to maximize value:
1) Customer
2) Financial
3) Environmental
4) Community Impact

LAUNCH 'NO REGRETS' INITIATIVES

External Stakeholder Feedback (City of Jax, Community Leaders, Customers)

Traditional Utility Response Approaches Were Investigated

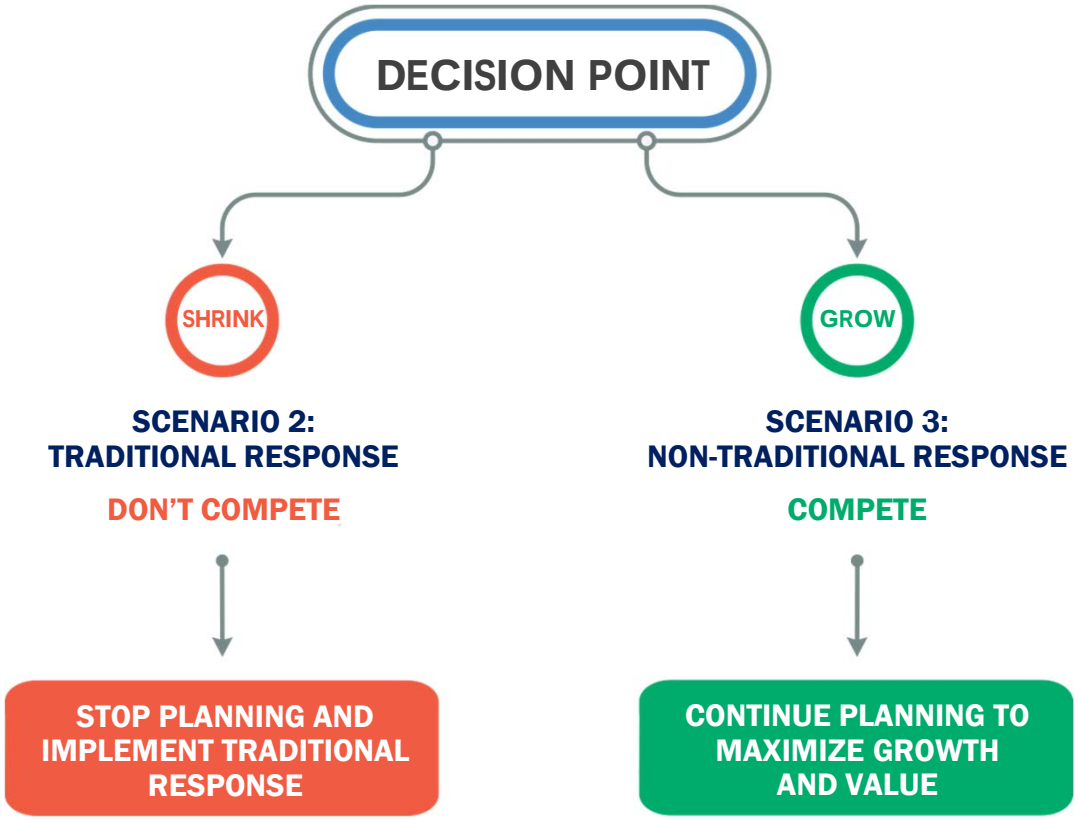
Overall, JEA's management team learned that traditional approaches would lead to decrease in our corporate measures of value

	LAST 10 YEARS	SCENARIO 2a: TRADITIONAL RESPONSE	SCENARIO 2b: SOME REMOVAL OF GOVERNMENT CONSTRAINTS
CUSTOMER VALUE	↓	↓	–
COMMUNITY IMPACT VALUE	↓	↓	↓
ENVIRONMENTAL VALUE	↑	↓	↓
FINANCIAL VALUE	↑	–	–
	In the face of declining sales, customer rates increased 71%	Declines in value due to additional market forces	Alleviating some restraints only delays the inevitable

Notes:

JEA Was Left With A Binary Policy Decision

Should JEA be designed to shrink or to grow?



Why JEA is Developing a 'Non Traditional' Strategic Plan

The industry is changing and JEA's strategy need to change with it

1 Technology	Emerging energy economics of the supply stack shifting
	Emerging operational technologies laying the foundation for digital transformation
2 Policy	Push for decarbonization gaining momentum
	More comprehensive policies (e.g. net metering, Energy Efficiency)
3 Customer	Rising bar on customer experience driven by non-utility players
	Customer awareness of emerging technologies rising
4 Capital	Entry of players with competitive capital has potential to change returns and competitive play profile (e.g. Canadian and European investors, activists)

Objectives: Develop a 10 year strategy for JEA that drives an increase in the value of JEA now and in the future. The strategy will:

- Position JEA to succeed in the face of trends
- Proactively shape talent and culture
- Drive growth
- Identify and enable investments
- Maintain affordability and reliability

Outcome of a Successful Strategy

Maximize each of the Four Corporate Measures of Value to *Improve Lives*

Customer Value

- Provide JEA customers with safe and reliable electric, water and wastewater **services at a rate structure equal to or less than industry average**
- Maintain **customer service standards and experience** within the top quartile of the industry
- Expand our trusted partner **relationship with our customers**

Financial Value

- **Maintain financial performance metrics** necessary to preserve Aa3 / AA- ratings, or similar comparable risk measures as adopted and deemed appropriate by JEA
- **Establish growth initiatives** to drive values and efficiencies with respect to electric, water, sewer, natural gas and other utility services, systems and/or products

Community Impact Value

- Establish and maintain **open, transparent communication** with employee, customer and all our stakeholders
- Continue investment and leadership of **economic development within Jacksonville**
- Continue and drive **employment within the region**
- Foster an environment of **engaged employees** that treat JEA as owners
- Preserve the level of **financial contribution of JEA to the city**

Environmental Value

- Maintain **compliance with all regulations** and meet or exceed industry standards that impact the environment
- Establish and lead a **sustainability program** for the benefit of the region
- Set an example of **environmental stewardship**

Process Goals

	Status Quo	Minimum Requirements
Financial	1. **<$2 billion** of value to the City of Jacksonville[1]	1. **>$3 billion** of value to the City of Jacksonville
Customers	1. **$0** customer distribution 2. Significant rate increases required over next several years	1. **>$400 million of value distributed to customers** ($350+ rebate to each JEA account; $1,400+ rebate for customers with electric, water, sewer and irrigation accounts) 2. At least three years of contractually guaranteed base rate stability for customers
Environmental	1. Viable renewable energy requirement at **0%** funding 2. Viable sources of alternative water capacity at **0%** funding	1. Commitment to develop and provide the City of Jacksonville and the Duval County Public School system with **100% renewable** electricity by the year 2030[2] 2. Commitment to develop and provide **40 million gallons per day** ("MGD") of alternative water capacity for Northeast Florida by the year 2035[2]
Community Impact	1. Status quo retirement obligations 2. No employment guarantees and **termination of ~600 employees** 3. No retention payments to employees 4. JEA leaves downtown, moving new headquarters to existing office space to house smaller workforce and minimize cost	1. Protection of certain employee retirement benefits[3] [4] 2. Maintenance of substantially comparable employee compensation and benefits for **three years** 3. Retention payments to all full-time employees of **100% current base compensation**[3] 4. Commitment to new headquarters and employees in downtown Jacksonville, contributing to the economic development of the community [5]

The overall purpose of this undertaking is to give JEA the strategic flexibility to adapt to a once-in-a-generation, industry-wide transformation and help it achieve its vision to improve lives in the Northeast Florida community.

Notes:
1. NPV of JEA's expected contribution to the City of Jacksonville over the next 20 years
2. Renewable electricity and alternative water to be provided at new or existing tariffs at a price equal to or less than the applicable tariff rate
3. Certain employee-related minimum requirements are subject to collective bargaining, as applicable
4. The Jacksonville City Council approved legislation on September 24th satisfying this requirement
5. JEA's new headquarters is currently under initial stages of development in downtown Jacksonville. The process goal is commitment to the current downtown headquarters project

Section 2

Key Investment Highlights

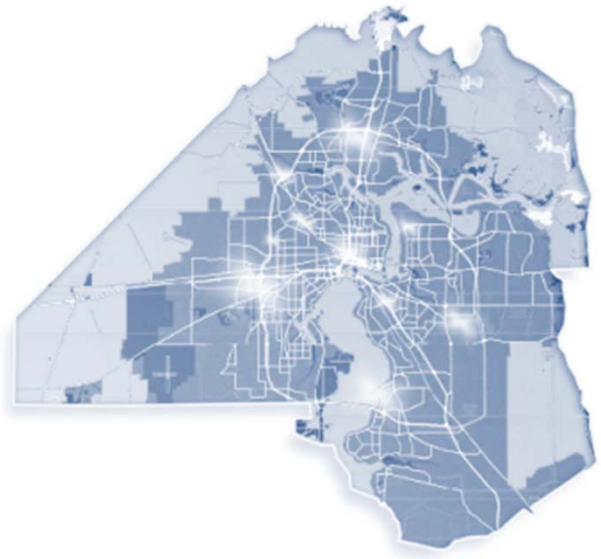
Business Highlights

1 Unique Opportunity of Scale	• Largest government-owned utility in Florida • Eighth-largest government-owned utility in the U.S. • Top 10 water and wastewater utility in the U.S.
2 High-Quality Asset with Attractive Investment Dynamics	• Top-quartile utility in customer satisfaction, as rated by JD Power • Industry leading operational metrics
3 Significant Asset Base with Attractive Investment Dynamics	• ~$1.2 billion of capital invested in the utility over the past three years; $614 million in the electric system ("Electric System") and $598 million in the water system ("Water and Wastewater Systems") • Net capital plant of ~$5.5 billion: ~$2.7 billion at the Electric System and ~$2.7 billion at the Water and Wastewater Systems • ~$2.9 billion capital expenditure program planned over the next five years
4 Stable, Low-Risk Regulatory Environment	• Mature core utility business with low operating risk • Utility business historically characterized by the need for significant investment and limited exposure to economic cycles • Constructive utility regulatory environment
5 Large, Growing Jacksonville MSA	• Seventh-largest population gain in 2018 amongst U.S. cities • Labor market thriving with unemployment rate of 3.0%, below both Florida and national unemployment rates • No state or city personal income tax
6 Supportable Execution Plan to Become A Leading Platform	**1 Operational improvements** • Redesign JEA's operating practices to achieve top-quartile performance as measured against JEA's peer set **2 Strategic capital investments** • Make incremental investments in traditional utility infrastructure to deliver new outcomes and benefits to our customers (e.g., climate resiliency, grid flexibility and customer choice, clean and sustainable, etc.) **3 Core growth opportunities** • Invest in new growth businesses core to the utility model: transport electrification, energy efficiency, distributed generation **4 Additional growth opportunities** • Identified additional growth initiatives that position JEA as a growth platform, that are not included in the model

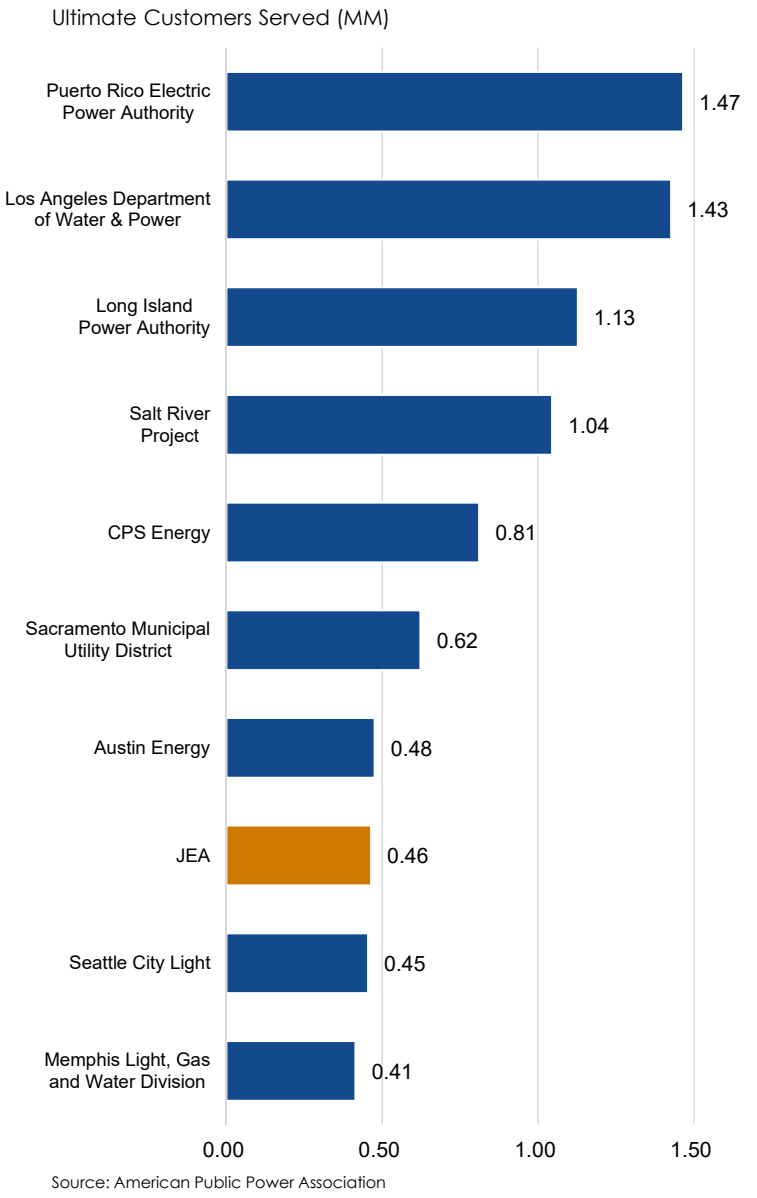
1 Unique Opportunity of Scale

Overview

- One of the largest multi-use, government-owned utilities in the U.S. and the largest in Florida
- Comprised of a fully integrated Electric System, the Water and Wastewater Systems, and four strategically located chilled water operations in the District Energy System
- 900 square mile service territory in the Jacksonville MSA, which is home to 1.5 million residents, military installations, government authorities, and Fortune 500 corporations
- Unique generational opportunity due to the size and diversity of JEA's assets, operations, and customers, coupled with the attractive economics of the Jacksonville market



Largest Government Owned U.S. Electric Utilities



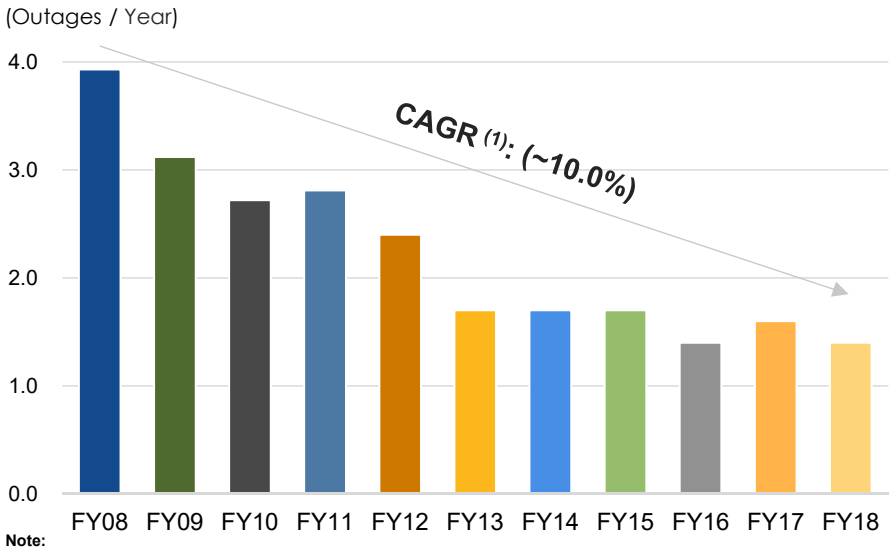
Source: American Public Power Association

2 High-Quality Asset with Attractive Investment Dynamics

Overview

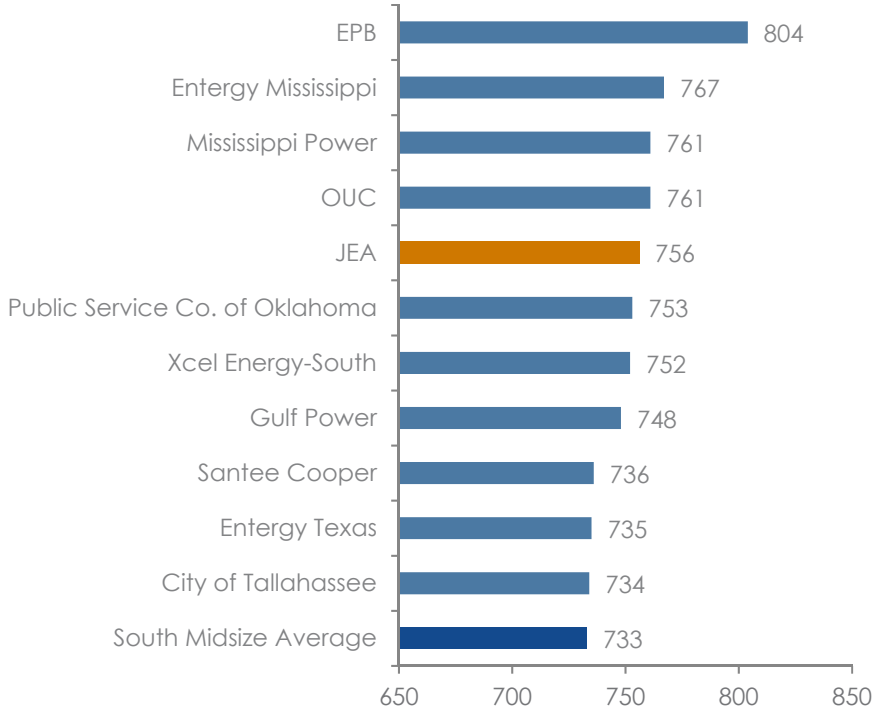
- Generated ~$1.8 billion in revenue, $775.6 million in EBITDA and 2.7x combined debt service coverage for the fiscal year ended September 30, 2019
- Sustained reduction in outage duration and frequency over the past 11 years for the Electric System
- Less than 2% of the Water and Wastewater Systems customer base experiences unplanned outages
- Top-quartile utility in customer satisfaction, as rated by JD Power

Electric System Customer Outage Frequency

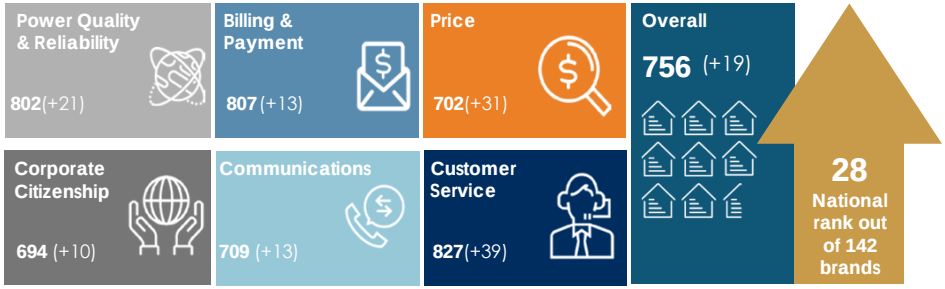


Overall Satisfaction Scores (South Midsize)

JD Power Ranking – Utilities Serving 100,000 – 499,999 Residential Customers



JD Power Electricity Brand Ranking(2)



Note:
1. Compound annual growth rate ("CAGR")
2. 2019 J.D. Power Residential Survey – change in category score compared to 2018 J.D. Power Residential Survey

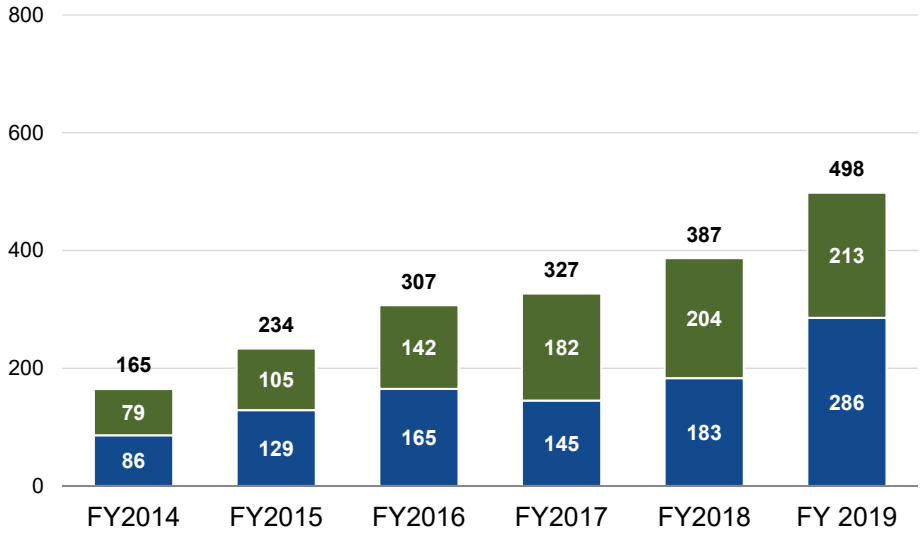
3 Significant Asset Base with Attractive Investment Dynamics

Overview

- Net capital assets as of September 2019 were ~$2.7 billion for the Electric System and ~$2.7 billion for the Water and Wastewater Systems, for a total net capital plant of ~$5.5 billion
- ~$1.2 billion invested between the Electric System and Water and Wastewater Systems over the past 3 years
- Capital expenditure forecast of ~$2.9 billion 2020E – 2024E
- Established integrated "one water" approach to water quality and supply issues for all northeast Florida

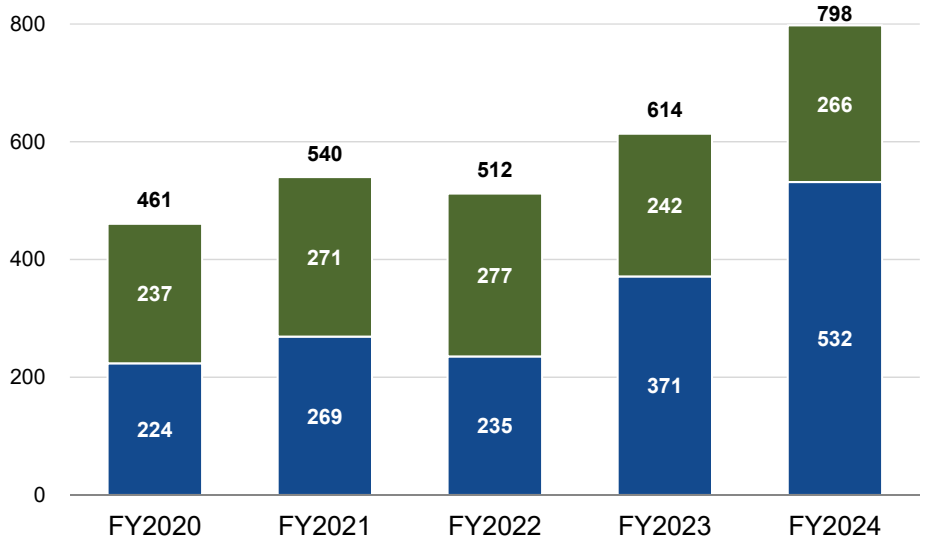
Historical Capital Expenditures

($MM)



Projected Capital Expenditures

($MM)



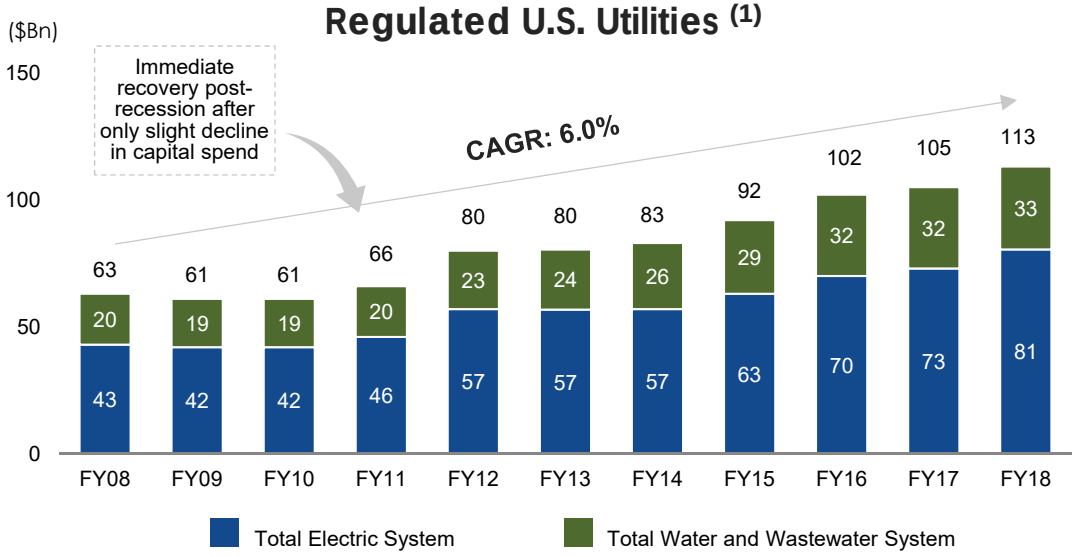
Total Electric System Total Water and Wastewater System

4 Stable, Low-Risk Regulatory Environment

Overview

- Utility business historically characterized by the need for significant investment and limited exposure to economic cycles
- Multi-use utility structure offers diversified risk profile across multiple utility systems
- Constructive regulatory environment established by the Florida Public Service Commission (the "FPSC") has provided the ability for neighboring investor-owned utilities to be permitted a reasonable opportunity to earn authorized returns
- The FPSC is currently rated "Above Average / 2" by SNL Regulatory Research Associates

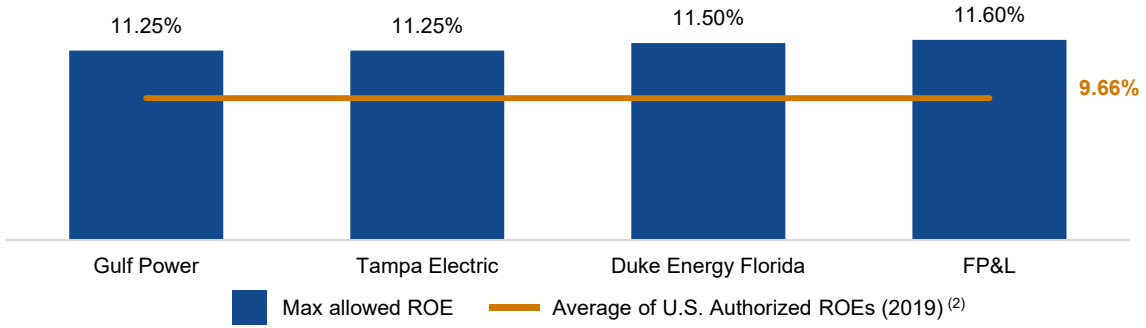
Growth in Regulated Utility Capital Expenditures – 70 Largest Regulated U.S. Utilities (1)



Maximum Allowed ROEs for Electric IOUs in Florida vs. Rest of Country

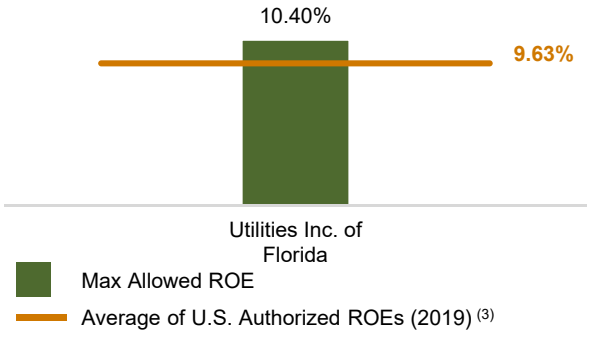
Electric System

(%)



Water & Wastewater System

(%)



Notes:
1. S&P Global Market Intelligence, report consolidates 70 largest regulated U.S. utilities
2. Represents the average authorized ROE for electric utilities in 2019
3. Represents the average authorized ROE for water utilities in 2019

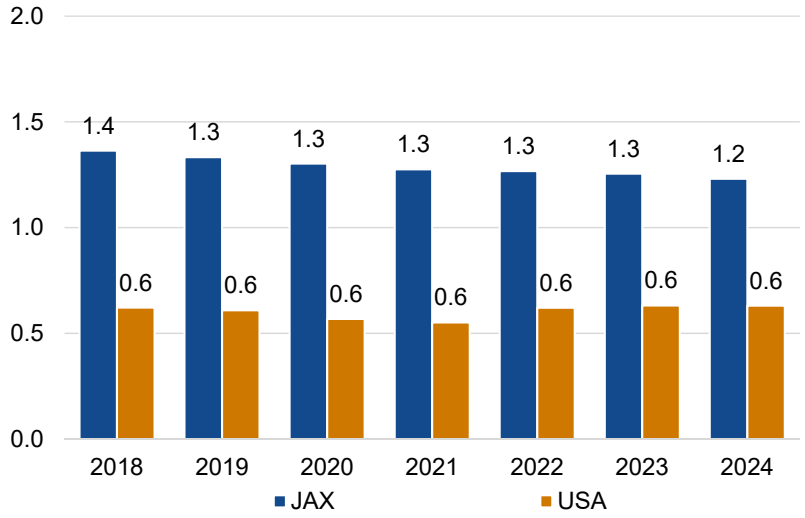
5 Large, Growing Jacksonville MSA

Overview

- Jacksonville is one of the fastest growing cities in the U.S., posting the nation's 13th largest population gain in 2017 and 7th largest population gain in 2018
  - Population growth is forecasted to continue at an average annual pace of approximately 1.3% per year through 2024, outpacing the national average of 0.6% over that same period
- Jacksonville's labor market is thriving, with an unemployment rate of 3.0%, which is below both the Florida and national unemployment rates
- Over the next several years, the Jacksonville economy is expected to outperform the Florida and national economies

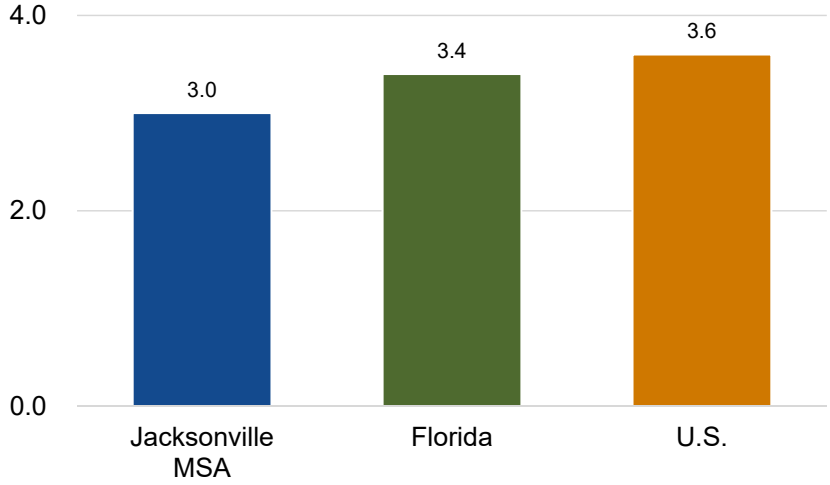
Population Growth

(%, YoY)



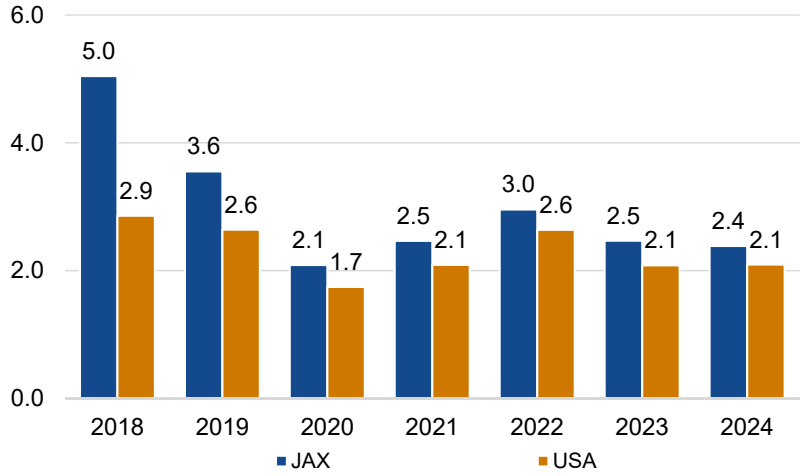
Annual Unemployment Rate

As of May 31, 2019 (%)



Gross Metro Product Growth

(%, YoY)



6 Supportable Execution Plan to Become A Leading Platform

Overview

- JEA, as a core infrastructure service provider, can expand on its current position and harness new revenue growth
- JEA will achieve these aspirations through execution of the Management Initiatives – 1 operational improvements, 2 strategic capital investments, 3 core growth opportunities along with 4 additional growth opportunities outside the scope of the Respondent Financial Model

Management Initiatives	1 Operational Improvements	2 Strategic Capital Investments	3 Core Growth Opportunities	4 Additional Growth Opportunities
	Increase the efficiency and productivity of JEA's operations and O&M and capex spend to create investment headroom to reinvest, to support customer affordability, and to improve service quality and performance outcomes	**Make incremental capital investments in JEA's core, existing utility businesses** that expand the capabilities of JEA's infrastructure to serve customers while growing earnings and the regulated asset base	**Invest in new growth businesses** – both within the regulated utility and beyond it – that grow JEA's earnings through delivery of new services and solutions to JEA stakeholders	• Water and Wastewater System expansion • Growth of the District Energy System • Further dark fiber utilization • Establishment of LNG, port, rail and/or data center facilities • Future home
	Reflected In Respondent Financial Model	**Partially Reflected In Respondent Financial Model**		**Additional Upside Not Reflected In Respondent Financial Model**

Enablers	
	Digital Capture new data sources, automate workflows, and digitalize processes to ensure JEA has access to the suite of capabilities it needs to execute
	Regulatory and policy strategy Develop regulations, policies, and legislation to authorize or continue to enable JEA to execute

Section 3

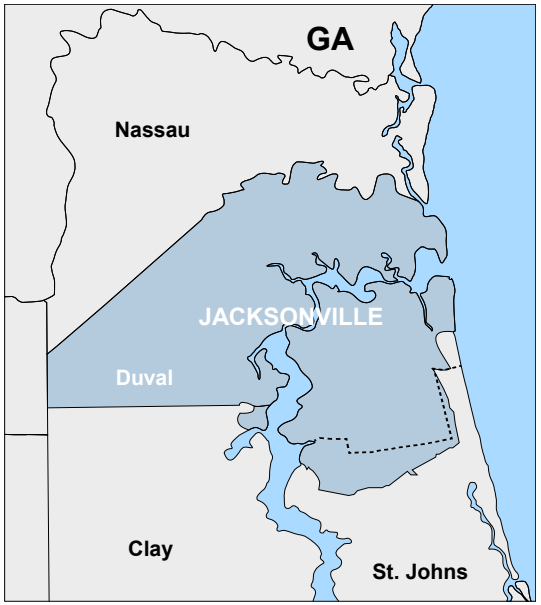
Electric System Overview

JEA Electric System

Overview

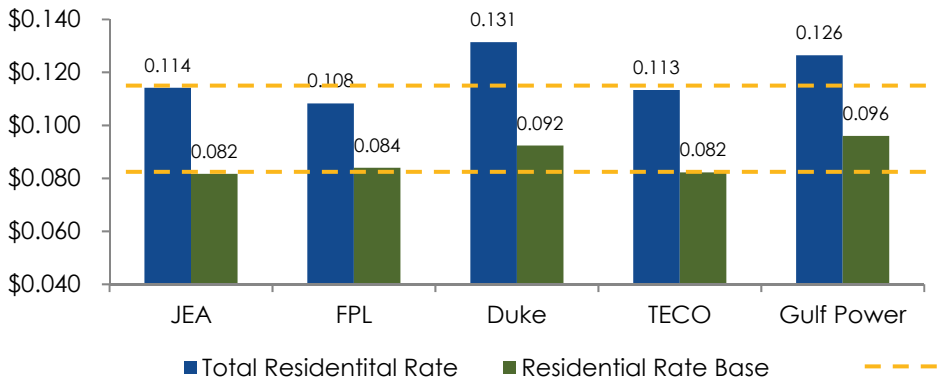
- The JEA Electric System is an integrated energy provider engaged in electric power production and transmission and distribution operations
- JEA owns and operates a fleet of five power plants with approximately 3,000 megawatts of electric generating capacity and an energy fuel mix made up primarily of natural gas
- JEA delivers approximately 12.5 million megawatt hours ("MWh") of electricity to over 475,000 customers in Northeast Florida
- JEA's 900 square mile service territory encompasses virtually the entire City of Jacksonville as well as portions of the northern sections of St. Johns and Clay Counties, which are located southeast and southwest of the City, respectively

JEA Service Territory



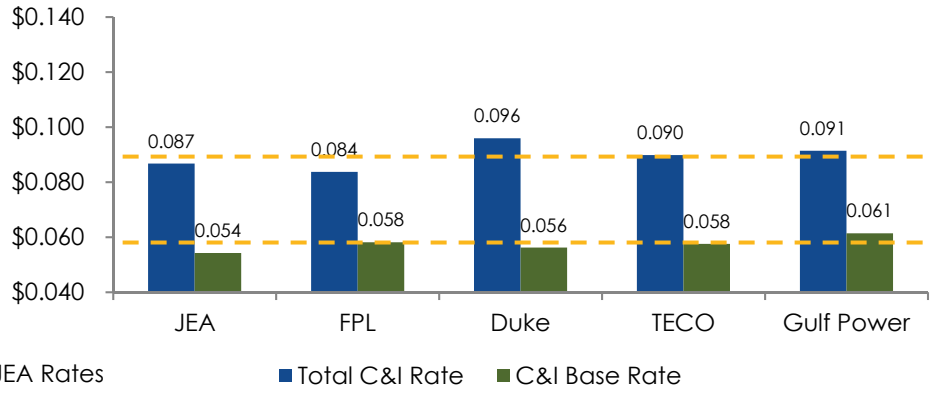
Current JEA Residential Rates (1)

(Revenue / kWh)



Current JEA Commercial & Industrial Rates (1)

(Revenue / kWh)



Sources: FTI Florida Electric Utilities Rate Comparisons

Note:
1. Estimated IOU rates to be included in Respondent Financial Model; total rates include Fuel & Purchased Power; denominator in all cases is Sales to Ultimate Customers

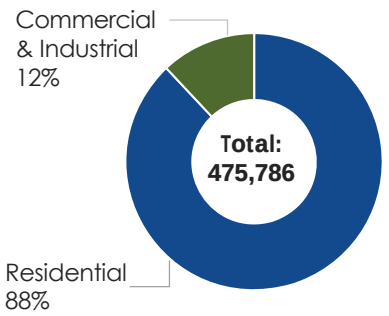
Electric System Customer Overview

Overview

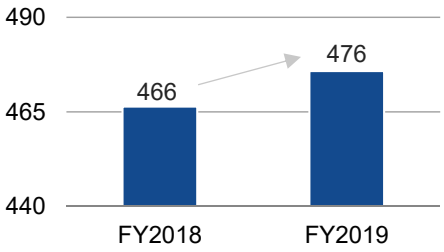
- In 2019, JEA's Electric System generated $1.3 billion in revenue of which 46% was contributed by commercial and industrial customers, including the City of Jacksonville, and CMC Steel Florida
- The remainder of the Electric System's revenues were generated by its residential customers
  - These customers spend ~$1,500 on average annually for service

Customer Breakdown

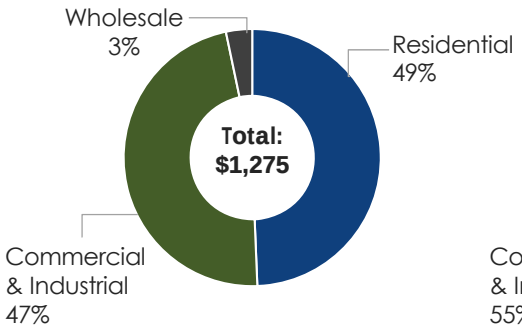
Average # of Accounts



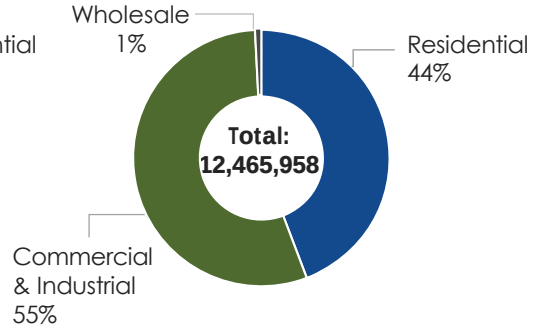
Average # of Customer Accounts (000's)



Revenues ($ in miilions)



System Sales (MWh)



Top 10 Customers for Electric System

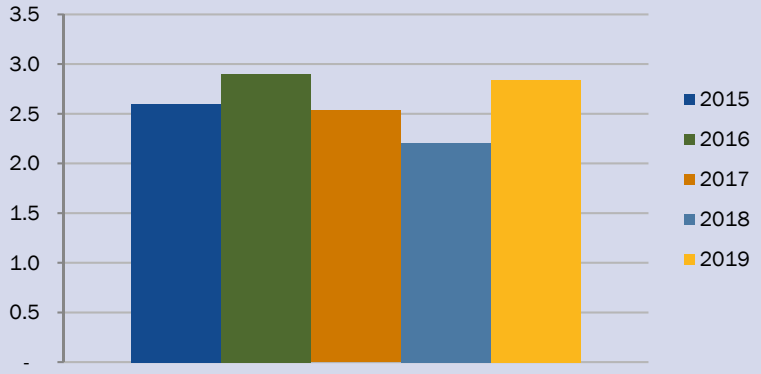
Ten Largest Customer Accounts		Annual $ Billed	% of Revenues
	U.S. Navy Public Works Center	$22,130,326	1.8%
	City of Jacksonville	21,660,130	1.8
	CMC Steel Florida	18,726,308	1.5
	WestRock CP LLC	15,236,857	1.2
	Duval County School District	14,546,196	1.2
	Anheuser Busch, Inc.	8,318,025	0.7
	Southern Baptist Hospital of Florida Inc.	8,133,950	0.7
	Publix Supermarkets Inc.	7,828,937	0.6
	Johnson & Johnson Vision Care Inc.	7,343,645	0.6
	Winn Dixie Stores, Inc.	7,173,720	0.6
	Total	**$131,098,094**	**10.7%**

Growing Customer Base with Low Concentration

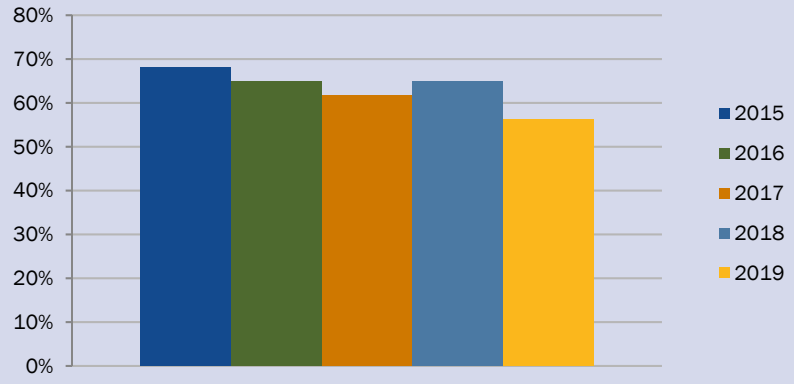
Source: 2018 JEA Annual Report, 2018 Annual Disclosure Report, June 25, 2019 JEA Board of Directors Board Package, 2019 FY JEA Unaudited Financials

Energy System Financial Metrics

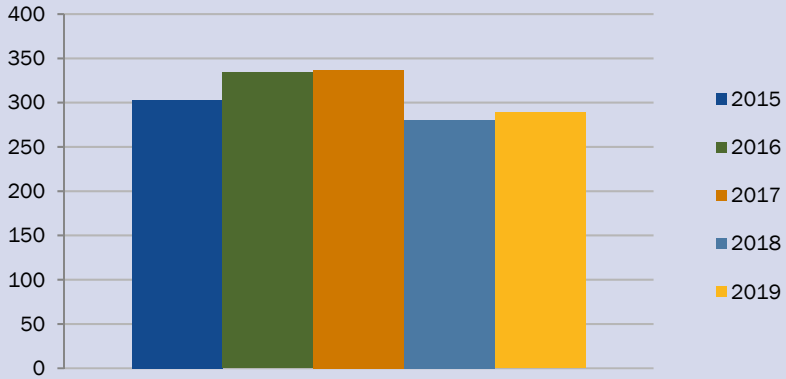
Debt Service Coverage



Debt to Asset %[1]



Days Liquidity[1]



Total Debt[2]

Notes:
1Electric & Bulk Power Supply System only – excludes SJRPP system
2Electric Consolidated System – includes outstanding SJRPP debt
FY19 Data utilized is preliminary and unaudited

Energy System Sales Forecast

TBU – Banking Team

Notes:

Energy System O&M Forecast

TBU – Banking Team

Notes:

Transmission & Distribution System

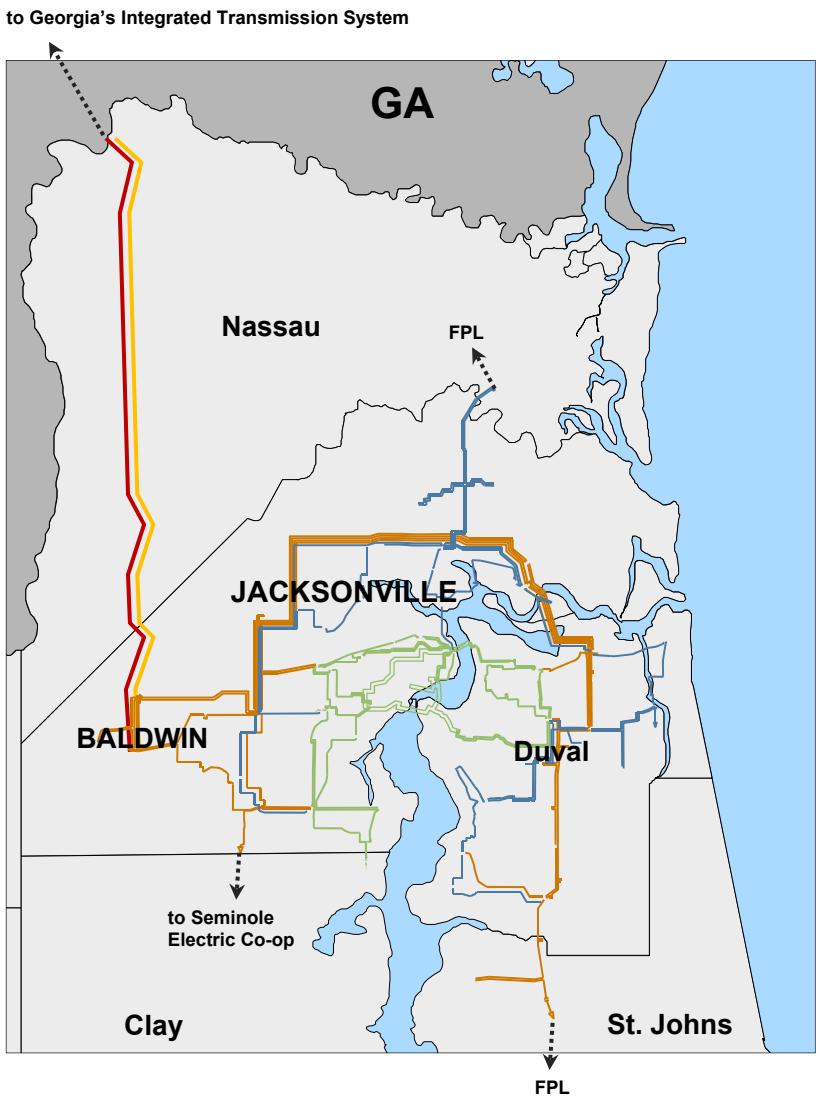
Transmission & Distribution System Overview

- JEA's transmission system consists 744 miles of all JEA-owned bulk power transmission facilities operating at 69 kV or higher
  - This includes two 500 kV lines jointly with FPL that are connected between the FPL Duval Substation and the GPC system at the Florida state line

Transmission Line	Overhead Miles	Underground Miles
500kV	75	-
230 kV	299	4
138kV	204	3
69kV	113	46

- The distribution system covers approximately 6,831 circuit miles
  - The central business district is served by a 13.2 kV underground secondary network
  - Surrounding residential and commercial areas are served primarily at 26.4 kV, with some 4.16 kV and 13.2 kV interspersed
  - Most older areas are served from overhead distribution lines; however, the majority of all new developments constructed since 1968 are served by underground 26.4 kV distribution
- The transmission and distribution system is controlled by the system operators through a supervisory control and data acquisition system

Transmission System



Energy System Reliability Metrics

Electric Service Reliability

- Outage frequency and duration have been reduced significantly over the last 9 years; running flat over last several years
- The typical JEA customer sees 1.3 outages per year and a total outage duration of about 60 minutes

Transmission Line Reliability

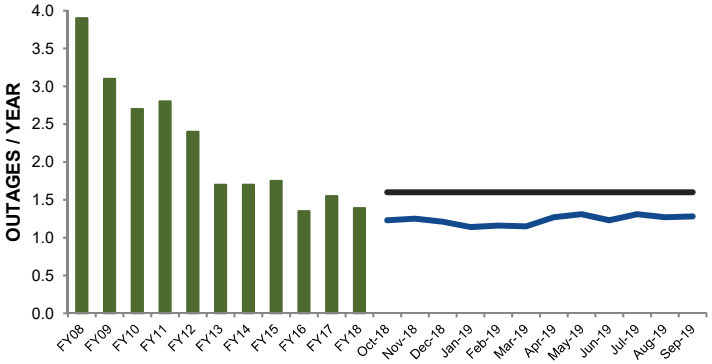
- Overall downward trend over the last eight years
- FY19 (1.2) is better than target

CEMI-5

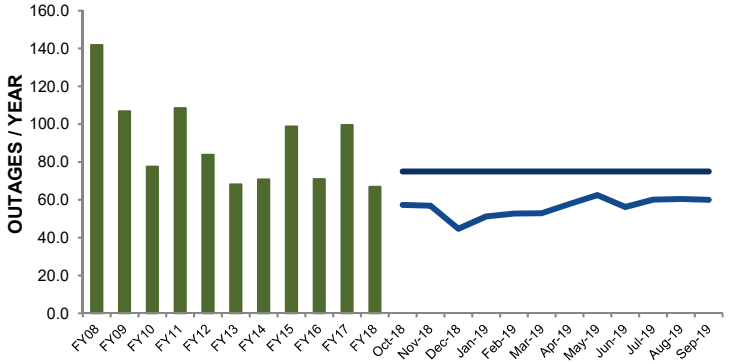
- Improvement trend over past three years for CEMI5. 407 (0.08%) of our customers have experienced more than 5 outages in the past 12 months

JEA continues to show favorable trends over time across all other operational metrics

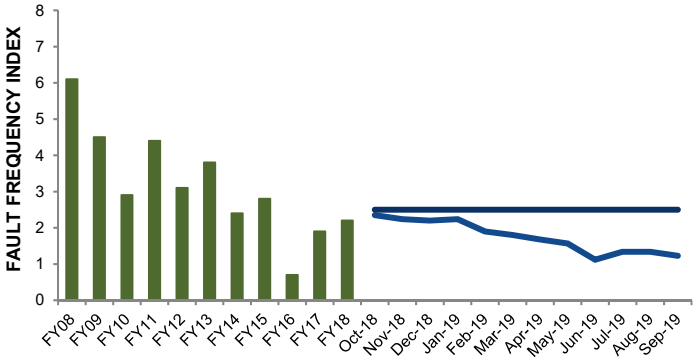
Electric Service Reliability: Outage Frequency



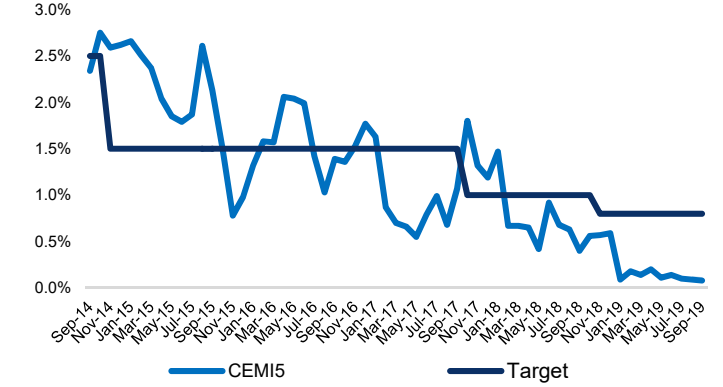
Electric Service Reliability: Outage Duration



Transmission Line Reliability: Fault Frequency



CEMI-5



T&D Grid Performance	Metric	FY2017	FY2018	FY2019 Target	FY2019
Customer Outage Frequency	# of Outages per Year	1.55	1.39	1.6	**1.3**
Electric Outage Duration	# of Minutes out per Year	99.5	66.9	75	**60**
Transmission Line Faults	# of Faults per 100 miles	1.9	2.2	2.5	**1.2**
$CEMI_5$	% Customers > 5 outages per yr	1.07%	0.4%	0.8%	**0.08%**

Generation and Natural Gas Pipeline Overview

TBU – Numbers need to tie to ADR

Generation Fleet Overview

- The generation fleet consists of four owned and operated power plants with generating capacity of 3,135 Megawatts[1]
- Additionally, JEA has joint ownership interest in Plant Scherer Unit 4, which has a net generating capacity of 198 MW
- JEA leverages the flexibility of existing resources and the significant investment that has been made in the Electric System's generation assets to address customer needs

Natural Gas Pipeline Overview

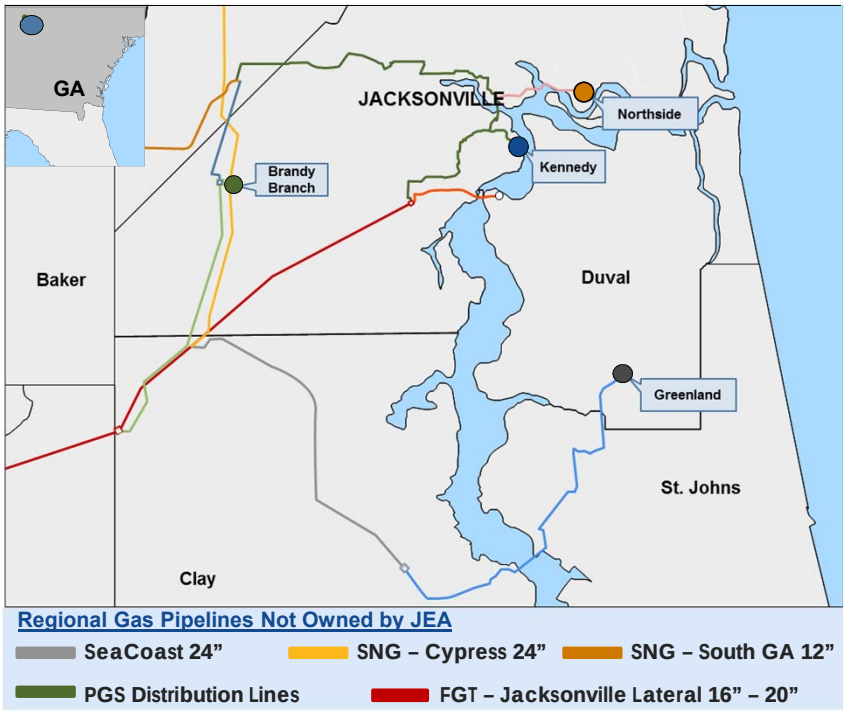
- JEA also has ownership interests in gas pipelines under the jurisdiction of the FPSC that supply JEA generation portfolio
- JEA's pipeline interests primarily serve to provide natural gas to JEA's generation fleet

Generation Fleet Detail

Facility	Primary Fuel Type	Capacity (MW) [1]	Year in Service
Gas Fuel:			
Brandy Branch	Natural Gas	816	2001-2005
Northside Unit 3	Natural Gas / Oil	524	1977
Kennedy	Natural Gas	382	2000-2009
GEC	Natural Gas	382	2011
Solid Fuel:			
Northside Units 1&2	Pet Coke	586	2003
Scherer Unit 4	Coal	198	1989
Peaking Reserve:			
Northside CTs	Diesel Fuel Oil	246	1975
Total		**3,135**	

Source: 2018 Annual Disclosure Report

Notes:
1. Reflects Winter Net Capacity
2. SJRPP House Line not depicted on map due to its size



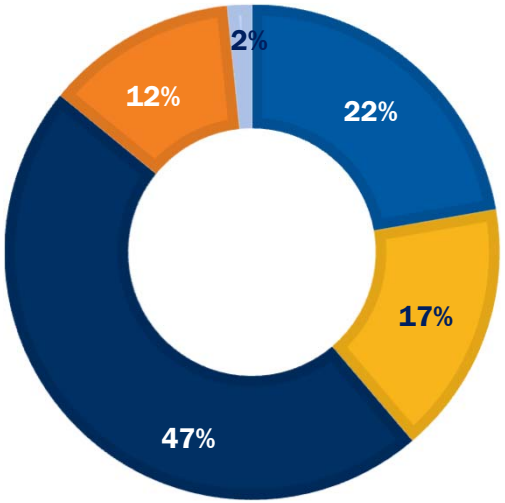
Gas Pipeline Details

Pipeline Name	Contractual Capacity %
Southside Line	JEA 73.33% / 2,200 Mcfh
Northside Line	JEA 70.5% / 6,100 Mcfh
Greenland Energy Center Lateral	JEA 100% / 6,100 Mcfh
Baldwin / Brandy Branch Line	JEA 50% / 4,058 Mcfh
Brandy Branch Lateral	JEA 100% / 7,200 Mcfh
SJRPP House Line [2]	-

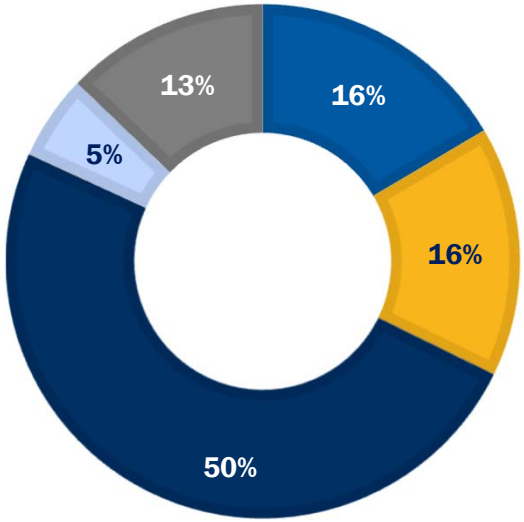
Energy System Fuel Mix & Dispatch Stacks

TBU – To be updated to include FY19

2019 Forecast

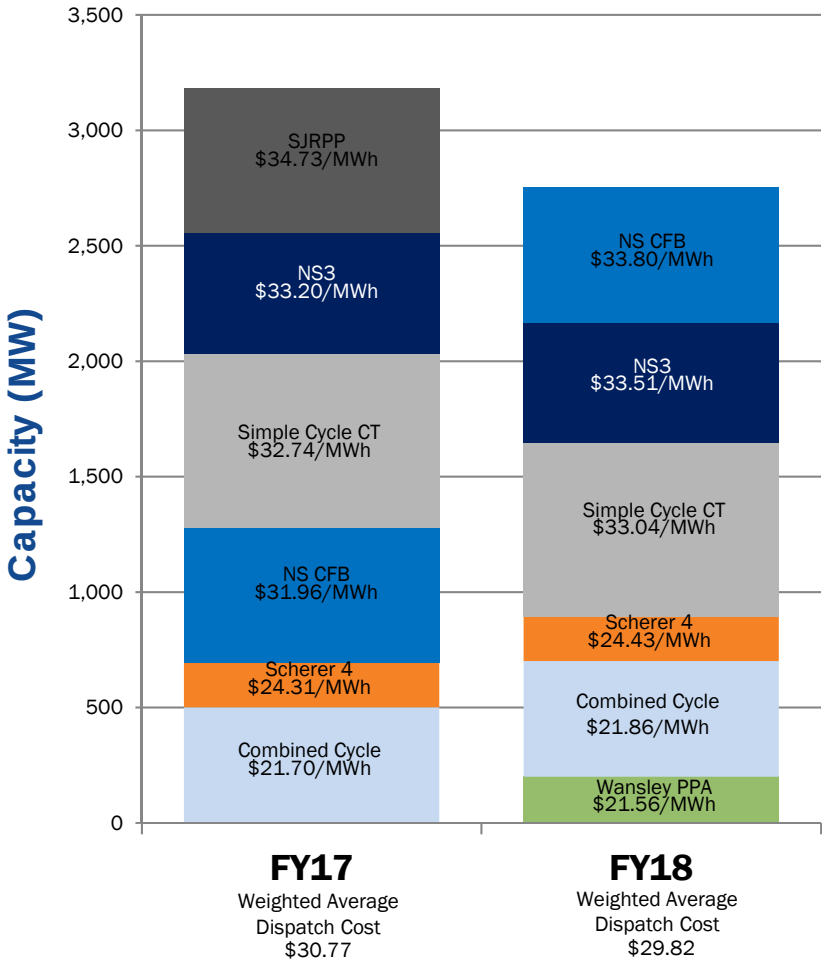


2023 Forecast



Nuclear | Coal | Pet Coke | Purchased Power | Renewables | Gas

Dispatch Stack[1]



Notes:
1 The average dispatch prices at maximum load for each unit from 10/1/2017 through 9/30/2018

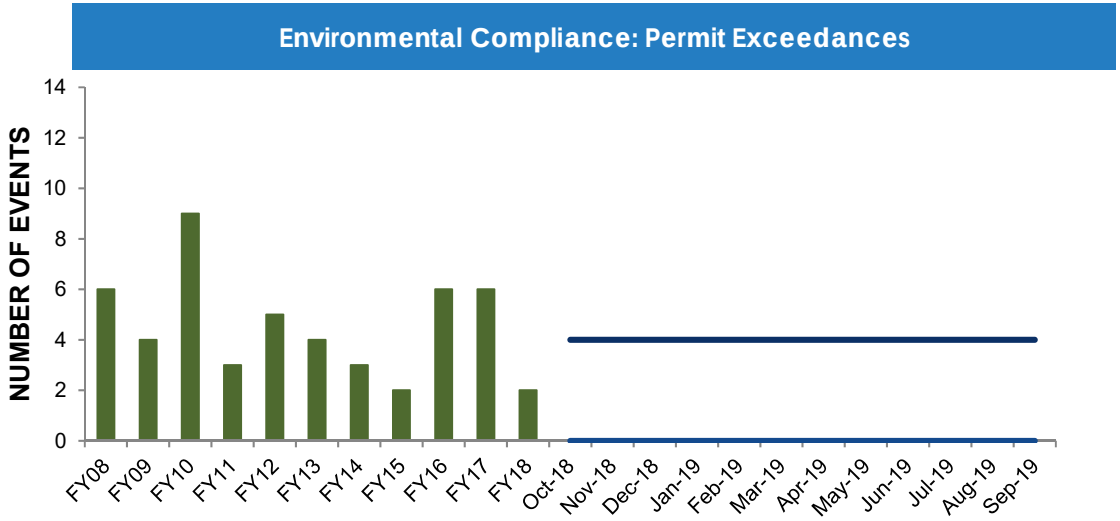
Energy System Reliability Metrics

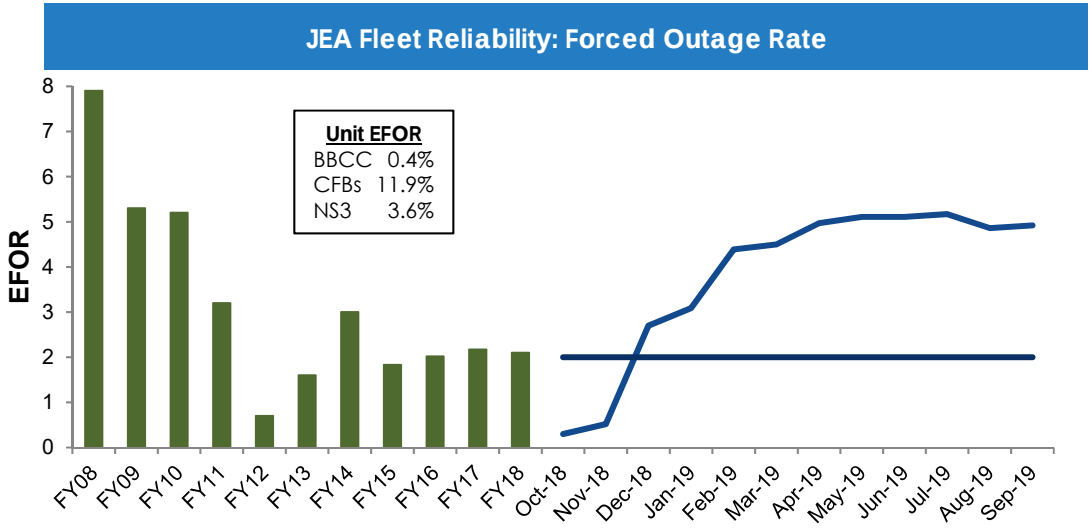
Environmental Compliance

- We experienced 0 reportable events far during FY2019
- JEA remains actively engaged in preparing for all new and emerging environmental regulations

Generating Fleet Reliability

- The JEA Fleet Forced Outage Rate exceeded target through FY19 due to various issues including extended unit recovery on NS Unit 2 as a result of excess ash build up





T&D Grid Performance	Metric	FY2017	FY2018	FY2019 Target	FY2019

Resiliency Programs

TBU – preliminary CAPEX assumptions, subject to change

Background

- Historically, like most electric utilities, JEA built distribution lines to meet a minimum level for performance and safety.
  - Adherence to the National Electric Safety Code (NESC).
  - Run to failure approach, with minimal focus on preventative/predictive maintenance.
  - Little attention to power quality and reliability.
- In the 1980s JEA began to focus more on building and maintaining systems above the minimum threshold, seeking to improve power quality and reliability for customers.
- In the 21st century as JEA transforms into the Utility 2.0 model, the old approach towards resiliency is not adequate anymore.

JEA Took Action

- In 2007, JEA initiated an on-going resiliency program based on the traditional system hardening methods with an approximately $20M annual budget.
- Distribution System Inspection & Pole Replacement Programs
  - JEA inspects its entire distribution system on a rolling 8-year cycle.
- Vegetation Management Program ($6.5M annual budget)
  - JEA performs industry standard vegetation management on its 3,000 miles of overhead distribution a rolling 2 ½-year cycle.
- CEMI-5 Program ($24M invested over the last 5 years)
  - Targeting customers and neighborhoods experiencing more than five outages in excess of 1 minute over 12 months.
  - Over 875 projects completed in the last 3 years, involving work at over 12,000 locations.
- In 2017 JEA launched a new program reducing customer outage duration utilizing more advanced technologies ($30M invested over four years)
  - Program includes the installation of 129 Automated Switches (AS), 54 Automated Reclosers (AR), 2,285 Trip Savers (TS), 3,000 Fault Current Indicators (FCI)

Undergrounding Overhead Power Lines

Background

- JEA began installing underground distribution lines in the early 1970s – primarily for aesthetic reasons accompanied by strong community and developer interest
- City ordinance passed requiring underground electric for all new subdivision development projects
- In June 2019, Senate Bill 796 ("SB 796") went into effect in Florida, requiring each of the IOUs to file 10-year system hardening plans, mostly related to undergrounding wires, which will be recovered via a charge separate from base rates.

Opportunity

- Estimated cost to convert all of JEA's 3,000+ miles of overhead distribution lines is $6.6 billion
  - Currently ~57% of JEA's ~7,000 miles of distribution lines are underground, with ~43% remaining as overhead distribution lines
- Conversion to underground provides a rate/tariff option for customers interested in performing the utility
- JEA and the City have a program in place today to support and enable underground conversion projects
- JEA has made significant investments in the past hardening and improving the reliability of the entire distribution system

Undergrounding represents a significant incremental community improvement opportunity for capital to be deployed throughout JEA's Electric System

The Decommissioning of St Johns River Power Park

After nearly 30 years in service, the St. Johns River Power Park closed on January 5, 2018

- JEA and FPL agreed to terminate the Joint Ownership Agreement and shut down the plant approximately 4 years prior to the JOA termination date
- SJRPP decommissioning is projected to continue until April 2020
- Decommissioning and fuel expenses are billed back to JEA and FPL in accordance to their JOA agreement
  - Currently there are fuel expenses related to railcar repairs, storage and leasing. These costs are expected to end in June 2019, when railcars are returned to lessor.
- The investment recovery team is working on selling most of SJRPP M&S Inventory. Currently M&S inventory is reserved at 97%

The total transaction NPV benefit to JEA is approximately $460 million

The Decommissioning of St Johns River Power Park

SJRPP Decommissioning Benefits of Transaction

This underscores JEA's commitment to operation excellence

Provides Rate Stability for Customers

- Transaction provides significant annual cost savings beginning in 2020
- Allows JEA to maintain stable rates and continue early debt retirement

Appropriately Sizes the Generation Fleet

- Increases asset utilization
- Maintains cost effective system resource mix

Reduces JEA's Impact on the Environment

- Reduces JEA's CO_2 output by 30% by 2030
- Decreases nitrogen to the St. Johns River
- Avoids future expense for compliance with environmental rules

Stimulates Economic Development

- Expands economic opportunities for industrial and manufacturing growth on 1,000 acres of property in and around the Port of Jacksonville

Proactively Addresses the Future of SJRPP

- Transaction provided a clear path for the termination of the SJRPP Joint Ownership Agreement and the retirement of the facility

Section 4

Water System Overview

JEA Water and Wastewater Systems

Overview

- The JEA Water and Wastewater Systems are a premier provider of water and sewer service within the urban and suburban areas of the City
- In 2019, JEA Water and Wastewater Systems generated $451 million in revenue, comprised of 39% water revenues, 57% sewer revenues, and 4% of revenues coming from water reuse and investment
- Service territory extends into St. Johns County, which is southeast of the City, and Nassau County, which is north of the City, and also serves a number of customers in Clay County, which is southwest of the City
- The Water and Wastewater Systems serve approximately 356,000 and 278,000 customer accounts, respectively
- Combined net capital assets total approximately $2.7 billion

Water & Wastewater Highlights

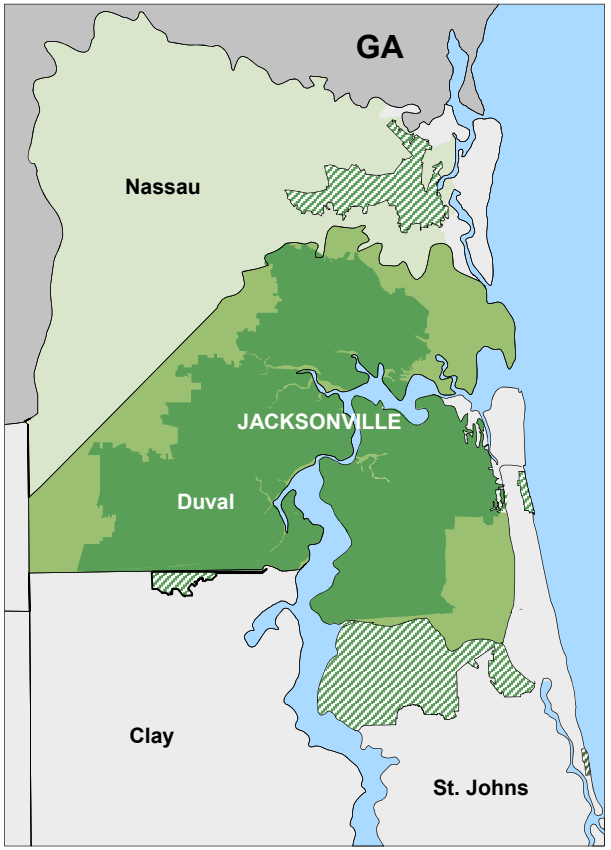
Water System

- 20 major and 18 small water treatment plants and two re-pump facilities
- 136 active water supply wells, and 4,755 miles of water distribution mains
- Total finished water storage capacity of over 81 million gallons
- Two major and four small distribution grids

Wastewater System

- Approximately 4,027 miles of gravity sewers and force mains
- 1,422 pumping stations and 697 low pressure sewer units
- 11 treatment plants with a rated average daily treatment capacity of approximately 120 MGD and maximum daily flow capacity of 241 MGD

Service Territory



Source: 2018 JEA Annual Report, 2018 Annual Disclosure Report, June 25, 2019 JEA Board of Directors Board Package, 2019 FY JEA Unaudited Financials

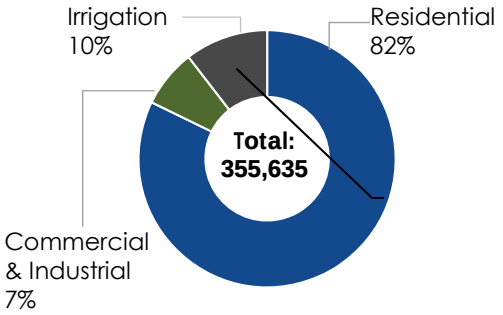
JEA Water System

Overview

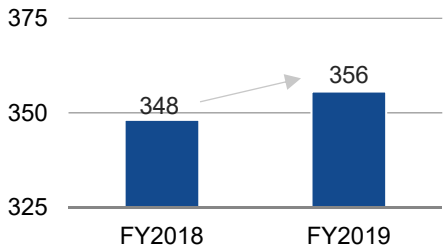
- Serves an average of 356,000 customer accounts and 14,000 reuse water customers
- System is currently composed of 38 water treatment plants, two repump facilities, 136 active water supply wells, ~4,755 miles of water distribution mains and storage capacity of 81 million gallons
- The Water System provides service in an area currently comprising ~769 square miles in Duval County, approximately 63 square miles in St. Johns County, approximately 77 square miles in Nassau County, and approximately four square miles in Clay County

Customer Breakdown

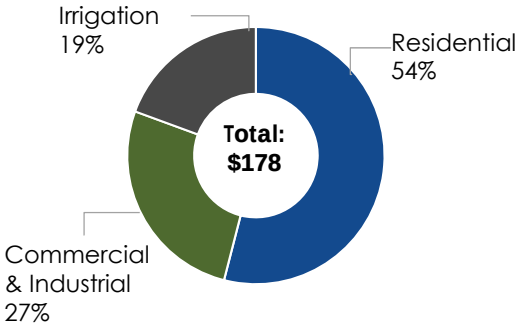
Average # of Accounts



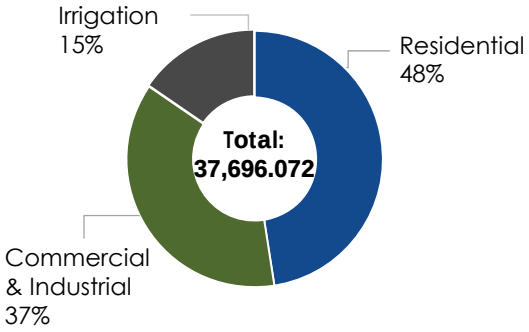
Average # of Customer Accounts (000's)



Revenues ($ in millions)



System Sales (kgals)



Source: 2018 JEA Annual Report, 2018 Annual Disclosure Report, 2019 FY JEA Unaudited Financials

Top 10 Customers for Water System

Ten Largest Customer Accounts		Annual $ Billed	% of Revenues
	City of Jacksonville	$2,215,500	1.2%
	Duval County School District	1,149,128	0.6
	St. Johns County Utility	771,120	0.4
	Southern Baptist Hospital of Florida Inc.	540,573	0.3
	The American Bottling Company	405,992	0.2
	American Homes for Rent LP	394,243	0.2
	St Vincents Health System Inc.	388,147	0.2
	DR Horton, Inc. Jacksonville	357,536	0.2
	Mayo Clinic Jacksonville	322,921	0.2
	Jacksonville Housing Authority	314,430	0.2
	Total	**6,859,588**	**3.7%**

Growing Customer Base with Low Concentration

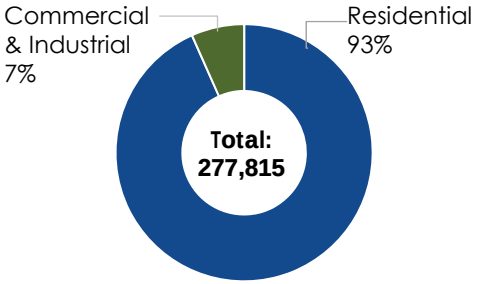
JEA Wastewater System

Overview

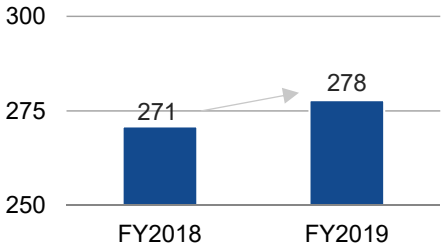
- Serves ~278,000 customer accounts and is composed of 11 wastewater treatment plants with a rated average daily treatment capacity of ~120 MGD and a maximum daily flow capacity of ~241 MGD
  - ~1,422 pumping stations, ~697 low pressure sewer units and ~4,027 miles of gravity sewers and force mains
- Wastewater System experienced an average daily flow of ~76 MGD and a non-coincident maximum daily flow of ~106 MGD during the Fiscal Year ended September 30, 2019
- Service territory is essentially the same as that for the Water System, serving ~76% of the service territory

Customer Breakdown

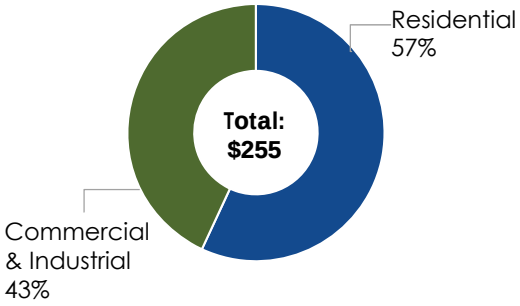
Average # of Accounts



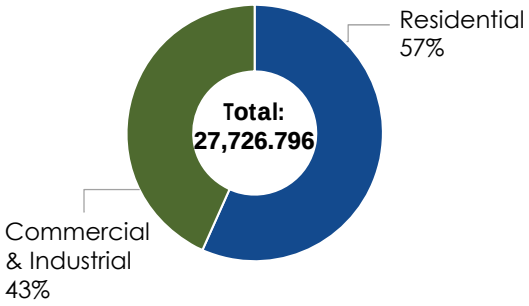
Average # of Customer Accounts (000's)



Revenues ($ in millions)



System Sales (kgals)



Top 10 Customers for Wastewater System

Ten Largest Customer Accounts		Annual $ Billed	% of Revenues
	City of Jacksonville	$2,637,060	1.1%
	Duval County School District	2,177,213	0.9
	St. Johns County Utility	1,294,095	0.5
DR PEPPER SNAPPLE GROUP	The American Bottling Company	1,106,595	0.4
WhiteWave	WWF Operating Company	971,058	0.4
ST. VINCENT'S HEALTHCARE	St Vincents Health System Inc.	957,243	0.4
BAPTIST HEALTH	Southern Baptist Hospital of Florida, Inc.	933,540	0.4
MAYO CLINIC	Mayo Clinic Jacksonville	869,928	0.4
	Symrise, Inc.	830,531	0.3
AMERICAN Homes 4 Rent	American Home Portfolio LLC	824,016	0.3
	Total	**$12,601,279**	**5.1%**

Growing Customer Base with Low Concentration

Source: 2018 JEA Annual Report, 2018 Annual Disclosure Report , 2019 FY JEA Unaudited Financials

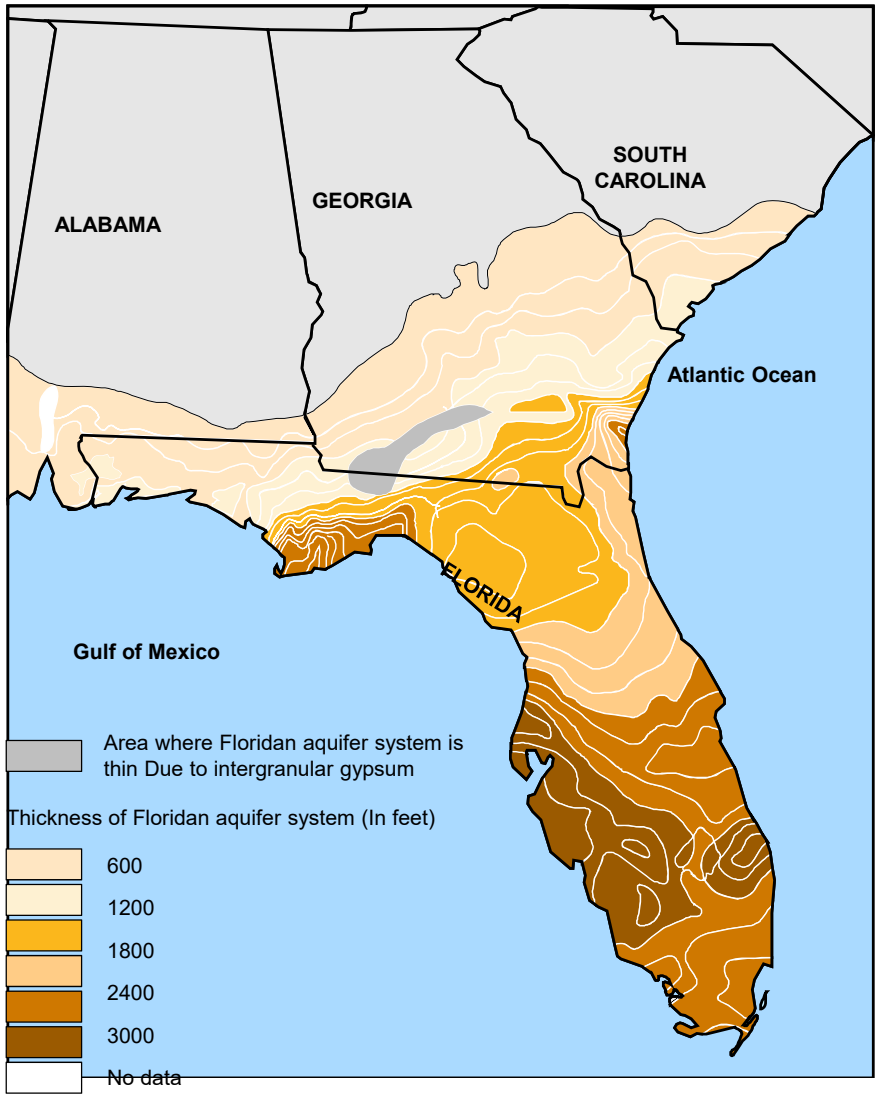
Floridan Aquifer System Overview

Direct Access to a World-Class Water Source

- The Floridan aquifer system is one of the most productive aquifers in the world
- The Floridan aquifer system is the primary source of water for nearly 10 million people and supports agriculture, industry, and tourism throughout most of the region
  - ~3 billion gallons of water per day are drawn from the Floridan aquifer for public, residential and agricultural uses
- In most areas, including Jacksonville, water in the aquifer system is potable and needs very little treatment before use
- Water stored in the aquifer is replenished directly from rainfall

JEA's Well Access System

- In the 1880s Jacksonville became one of the first municipalities to use the Floridan aquifer as a public water source
- Today, JEA's drinking water system consists of wells, water treatment plants, the distribution grid of pipelines and finally the customers' meters
- JEA has over 130 wells that utilize turbine pumps to withdraw water from the Floridan aquifer, ~1,000 feet below land surface
  - The fresh, clean water is pumped from the well fields to one of 38 water treatment plants



JEA is positioned directly on top of the Floridan aquifer, one of the most productive aquifers in the world

Source: United States Department of the Interior, St. Johns River Water Management District, City of Jacksonville

Water & Wastewater System Financial Metrics

Debt Service Coverage

Debt to Asset %[1]

Days Liquidity[1]

TOTAL DEBT[2]

Water & Wastewater Sales Forecast

TBU – Banking Team

Notes:

Water & Wastewater System O&M Forecast

TBU – Banking Team

Notes:

Water & Wastewater System Reliability Metrics

Unplanned Water Outages

- Percentage of customers affected by unplanned outages. Large water main break in August caused FY19 goal of 2% not to be met.

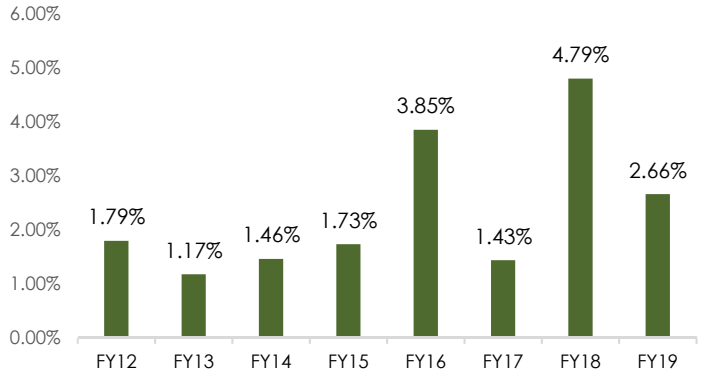
Water Pressure (minutes per month < 30 psi)

- Measured by 189 pressure monitoring stations in the distribution system. Pressure must be greater than 30 psi, and is expected to be greater than 50 psi. Regulatory requirement is minimum 20 psi.

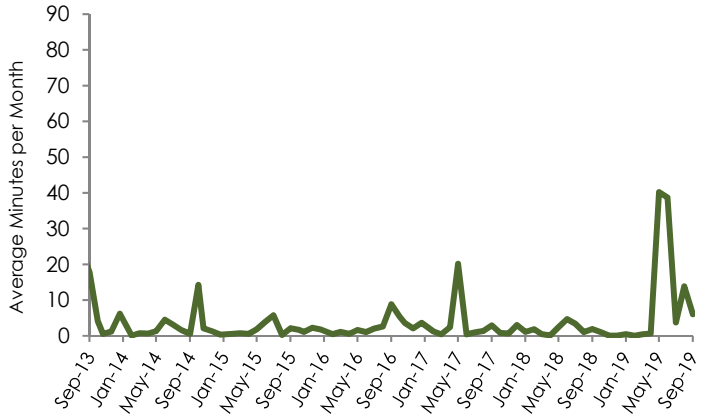
Customer Response Time

- Average time from a customer call to the ticket completion or transfer to a field crew for a more extensive repair. Exceeded FY19 goal of 65 Min.

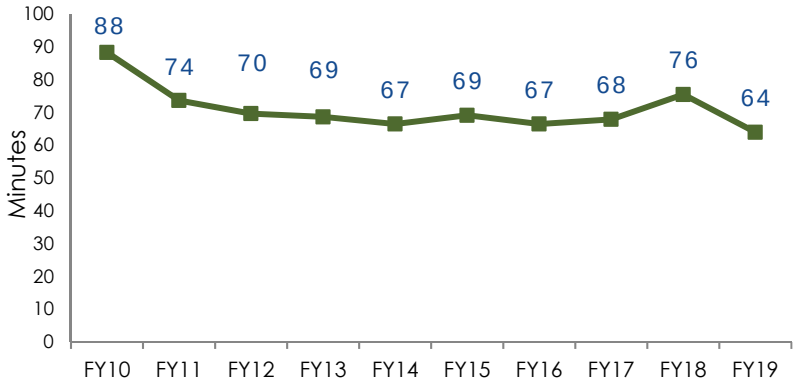
Customers Affected by Unplanned Outages (% of customers)



Water Distribution System Average Minutes Water Pressure Less than 30 psi



Transmission Line Reliability: Fault Frequency



Water System Consumptive Use Permit

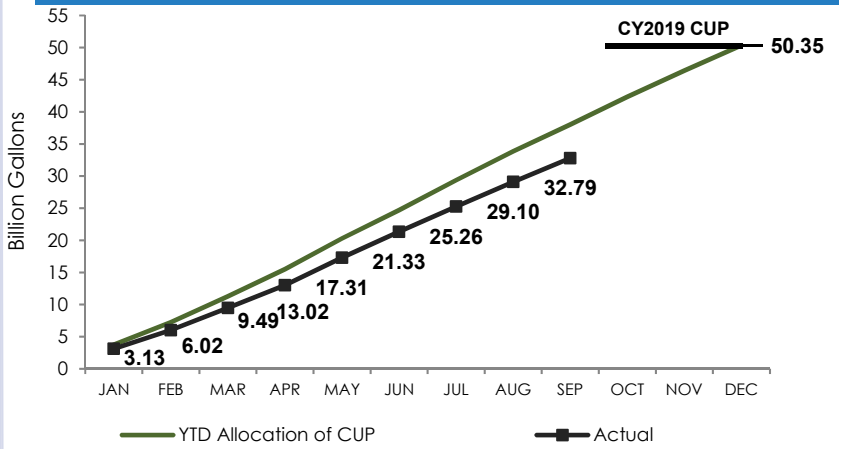
YTD CUP Allocation

- The YTD CUP allocation is determined by using the last five years' monthly amounts to create JEA's monthly target
- September 2019 = 32.79 BGAL

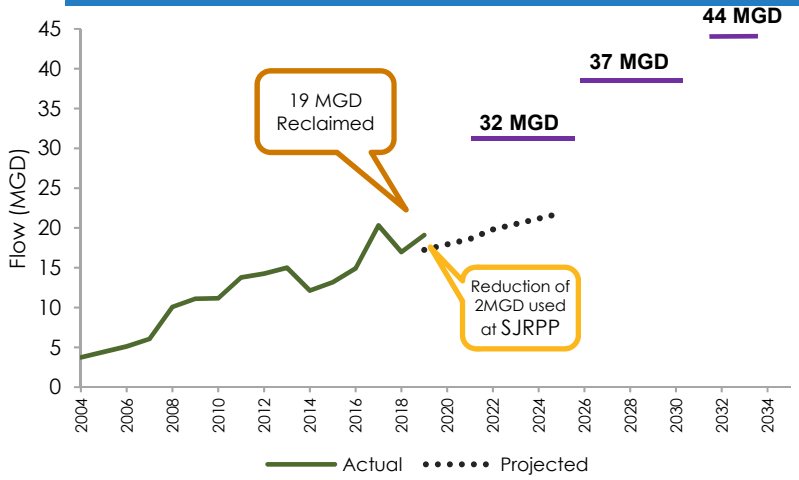
Condition 18

- YTD average daily flow is 13% below CY limit of 138 MGD

2019 Consumptive Use Permit (CUP)



CUP Conditions 43 and 44: Reclaimed Water Use



CUP Condition 44: South Grid Wellfield Allocation Limits

	Permit Limit	Actuals					
Critical Wellfields	Post 2014	2014	2015	2016	2017	2018	YTD 2019
Deerwood III	7.00	7.01	6.67	7.88	7.64	7.17	7.40
Ridenour	6.85	6.39	6.66	7.64	6.68	6.54	6.88
Oakridge	5.65	6.23	4.99	5.79	5.49	5.55	5.70
Greenland	4.53	1.53	4.27	4.16	3.99	4.18	4.26
Brierwood	3.02	4.53	2.84	3.36	2.98	2.43	2.64
Subtotal	***27.05***	***25.69***	***25.43***	***28.83***	***26.78***	***25.87***	***26.89***
Other Wellfields	**23.18**	**20.92**	**22.07**	**24.12**	**21.85**	**20.48**	**22.18**
Total South Grid	**50.23**	**46.61**	**47.50**	**52.95**	**48.62**	**46.35**	**49.06**
Total System ADF MGD	**138**	**104**	**107**	**112**	**114**	**112**	**120**

T&D Grid Performance	Metric	FY2017	FY2018	FY2019 Target	FY2019
Water	CUP Limits (MGD)	114 (133 limit)	112 (135 limit)	138 limit	120
South Grid	Wellfield Allocation (MGD)	48.62 (<50.23 limit)	46.35 (<50.23 limit	< 50.23 limit	49.06
Reclaim	Usage (MGD0	20	17	19	19

Wastewater System Environmental Compliance

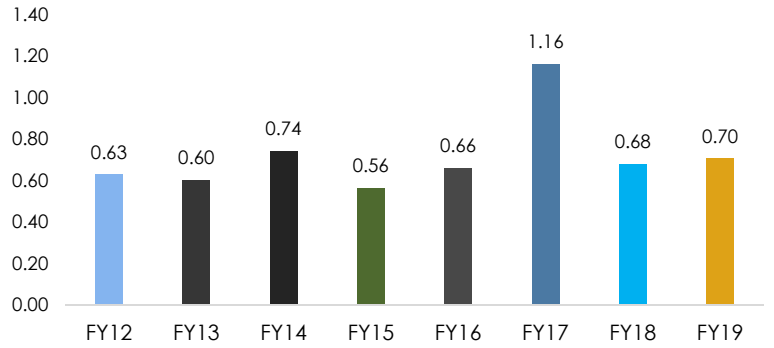
Sanitary Sewer Overflows (SSOs to US Waters)

- FY04 – FY07: 54 per year average
- FY08 – FY18: 33 per year average
- 36 SSO's impacting US Waters during FY19

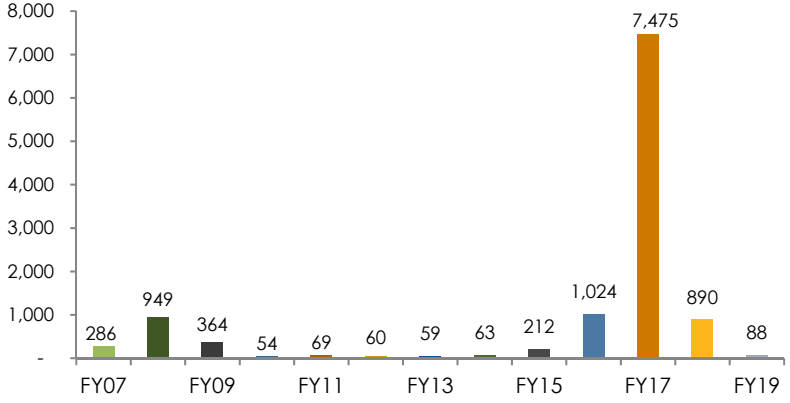
Nitrogen Discharge to St. Johns River

- Total Maximum Daily Load (TMDL) Permit Limit is 683 tons (rolling 12 month total)
- Current rolling 12 month total is 409 tons
- FY19 projection is 396 tons

SSOs Impacting Waters of the US (per 100 miles of pipe)

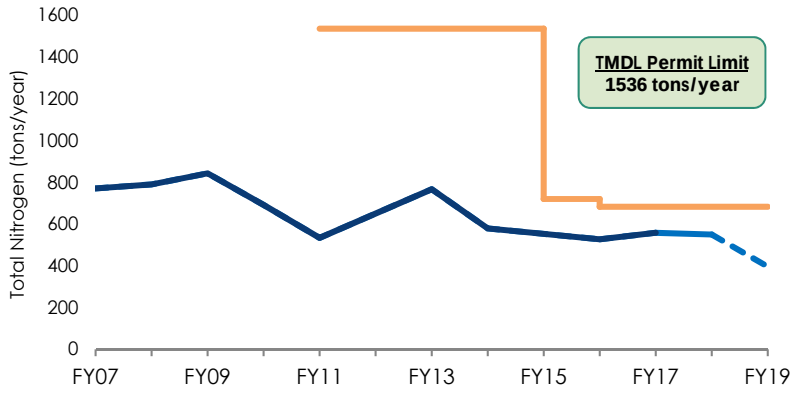


SSO Volume Impacting Waters of the US by Fiscal Year* (in 1,000 Gallons)



*Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

Total Nitrogen Discharge to St. Johns River

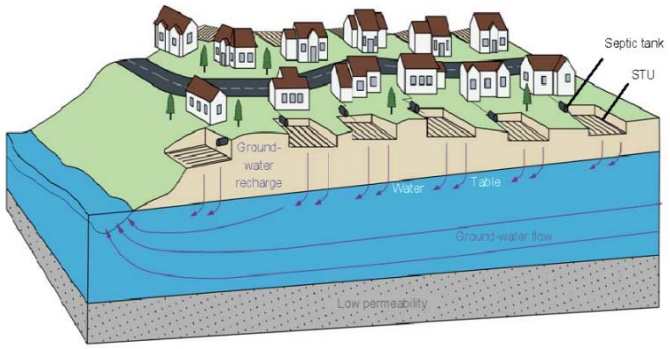


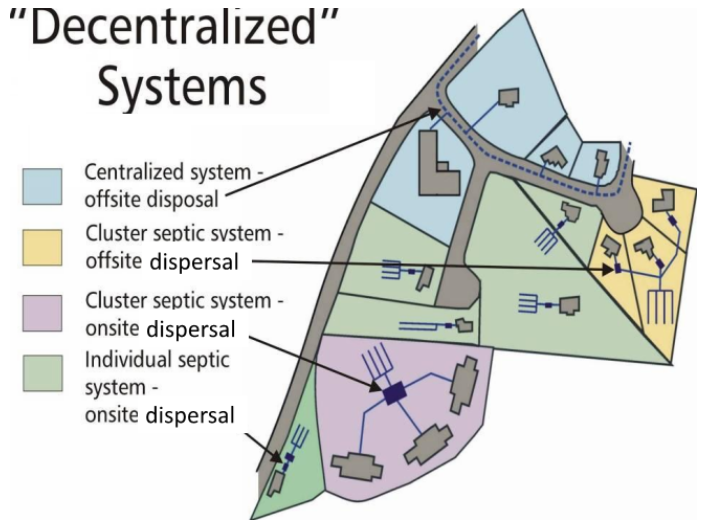
T&D Grid Performance	Metric	FY2017	FY2018	FY2019 Target	FY2019
Water	CUP Limits (MGD)	114 (133 limit)	112 (135 limit)	138 limit	**120**
South Grid	Wellfield Allocation (MGD)	48.62 (<50.23 limit)	46.35 (<50.23 limit	< 50.23 limit	**49.06**
Reclaim	Usage (MGD0	20	17	19	**19**

Septic Tank Phase Out (STPO) Initiatives

Failing septic systems – negative environmental impact

- JEA is developing innovative solutions to address failing septic systems in Duval County and Northeast Florida
- Currently a program is underway that will address 22,000 septic tanks over a 30 year period at a cost of $708M.





Overall there are over 65,000 septic systems

- To address the problem JEA has embarked on a multi step step process
  - First, addressing the 22,000 locations with failing system by installing a traditional gravity collection system
  - Secondly, identifying onsite treatment systems that can be installed on an individual basis as septic systems fail
  - Third, completion of a study that will provide long term solutions that will address the 65,000 locations
    - The study will include
      - » Research of available systems
      - » Conceptual Geographic Master Plan that will incorporate;
        - Decentralized Treatment Systems
        - Alternative Processes
      - » Pilot of viable systems

Overall there are over 65,000 septic systems, the replacement of these systems is estimated to cost $1.3B, if innovative solutions are found

Water & Wastewater System Resiliency Programs

TBU – Confirming with O. Domingo

Framework to Resiliency

In response to the challenges JEA experienced during Hurricanes Matthew and Irma, the resiliency program was developed to better understand system vulnerabilities and proactively improve system reliability and operational continuity of JEA's Water, Wastewater, Reclaimed Water, and Chilled Water Systems.

- Signed a contract with CH2M/Jacobs on May 7, 2018 to provide Resiliency Assessment, Program Management and Engineering Services. A large portion of this contract will look to identify system vulnerabilities and provide recommendations to address these issues. New Standards will be developed based on the findings from these assessments as well as projected future climate conditions.
- Collaborating with JEA's Electric System Analysis Group to proactively evaluate the power quality of the electric circuit that is serving some of JEA's critical Class III and IV pump stations. The end in mind is to identify dual electric feed opportunities at specific pump stations and thus enhancing its reliability.
- Initiated system hardening projects like converting the primary and secondary electric lines serving critical pump stations from overhead to underground. At the end of FY18, 26 secondary electric lines and 19 primary electric lines were converted from overhead to underground.
- Having backup generation is essential to maintaining operational continuity especially during extreme weather conditions. JEA has purchased multiple types of assets for backup generation. JEA has also entered into a lease agreement to rent backup generation during the Storm Season. At the end of FY18 JEA had procured the following assets under the Resiliency Program

Fixed Generators	Fixed Pumps	Portable Pumps	Rental Generators	Rental Pumps
103	33	12	100	50

Significant Investment Opportunities in Wastewater Treatment

Overview

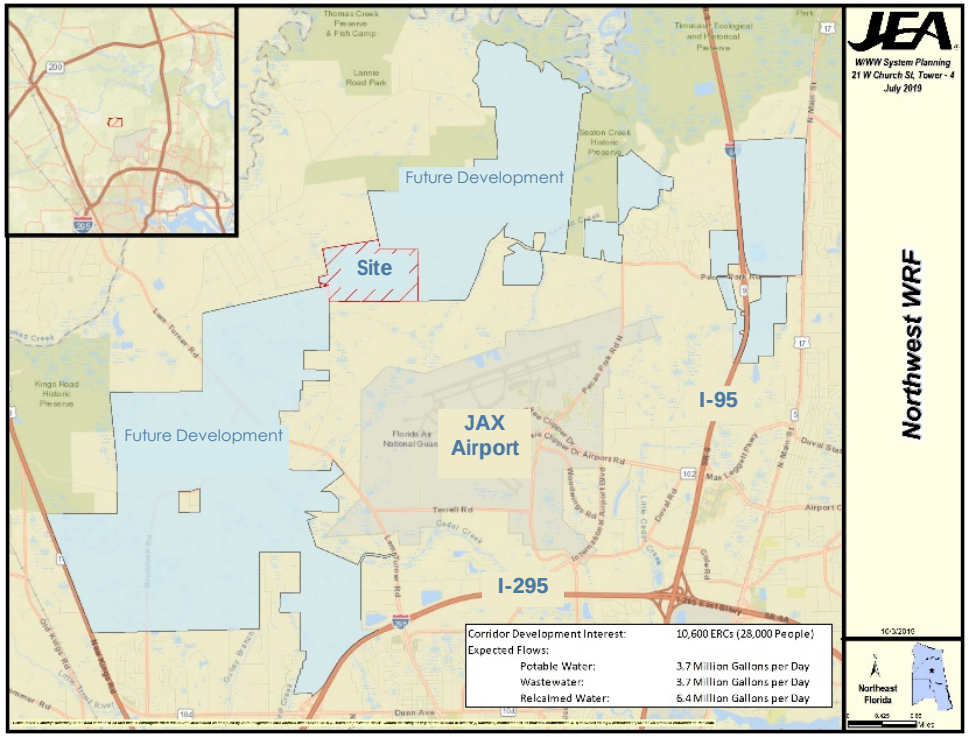
Population growth and future development elevate the need for additional wastewater treatment investments

Greenland Water Reclamation Facility ("WRF")

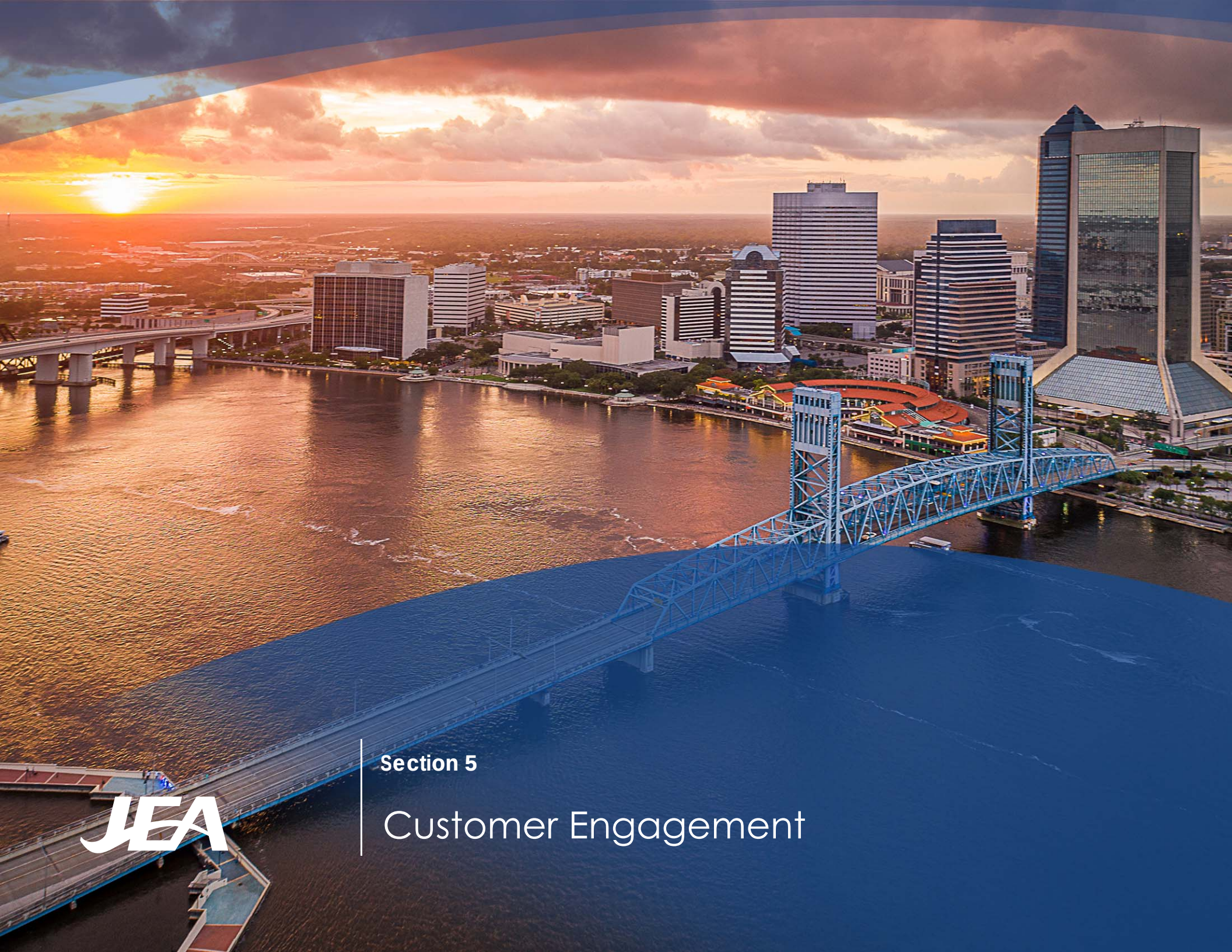
- In the early 2020s, the Greenland WRF will be constructed to provide service to the Southeast region of Jacksonville
  - JEA is investing over $80 million dollars in the 6.0 MGD advanced wastewater treatment plant

Northwest Jacksonville WRF

- Later in the decade, significant development (11,000 connections based on current developer indications) will drive the need for a new WRF
  - JEA is investing over $290 – $325 million dollars for the wastewater, purified water and reclaimed water facility



New wastewater treatment facilities unlock regional growth potential in a sustainable way



Section 5

Customer Engagement

Customer Engagement

Placeholder Overview Slide

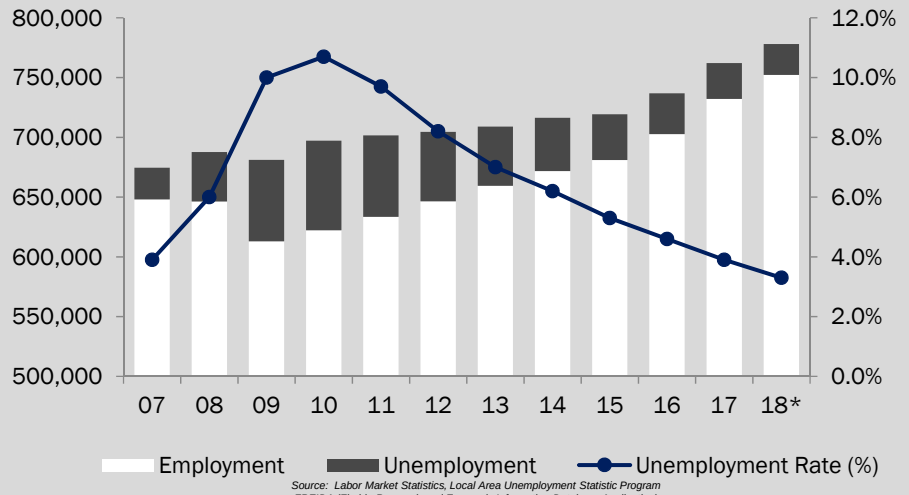
Slide to introduce this section of presentation and business.

Notes:

Economic Snapshot of Customer Base

Employment & Unemployment

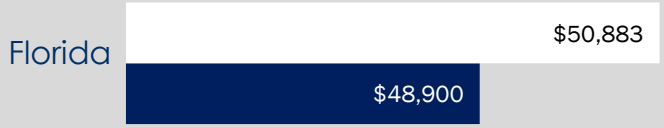
The unemployment rate in December 2018 for the Jacksonville MSA is 3.1%*



Source: Labor Market Statistics, Local Area Unemployment Statistic Program
FREIDA (Florida Research and Economic Information Database Application)
Annual not seasonally adjusted labor force, employment and unemployment data in Jacksonville MSA

2017 Median Household Income

Florida's median household income has increased 4.1% year over year.

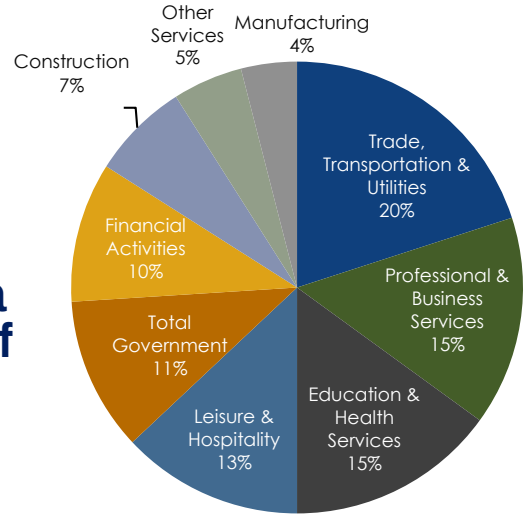


Duval County median household income has increased 4.3% year over year.

2017 **2016**

Source: U.S. Census Bureau, "2013-2017 American Community Survey 5-Year Estimates"
Median household income in the past 12 months (in 2017 inflation-adjusted dollars)

The local economy is made up of a diverse mix of industries



Five History of Accounts & Sales

Placeholder

Preliminary Numbers-
Subject to change

Unbilled Revenues and Uncollectible

TBU- Awaiting Controller Response

Payment Plans & Options

TBU – Slides to be received from JEA

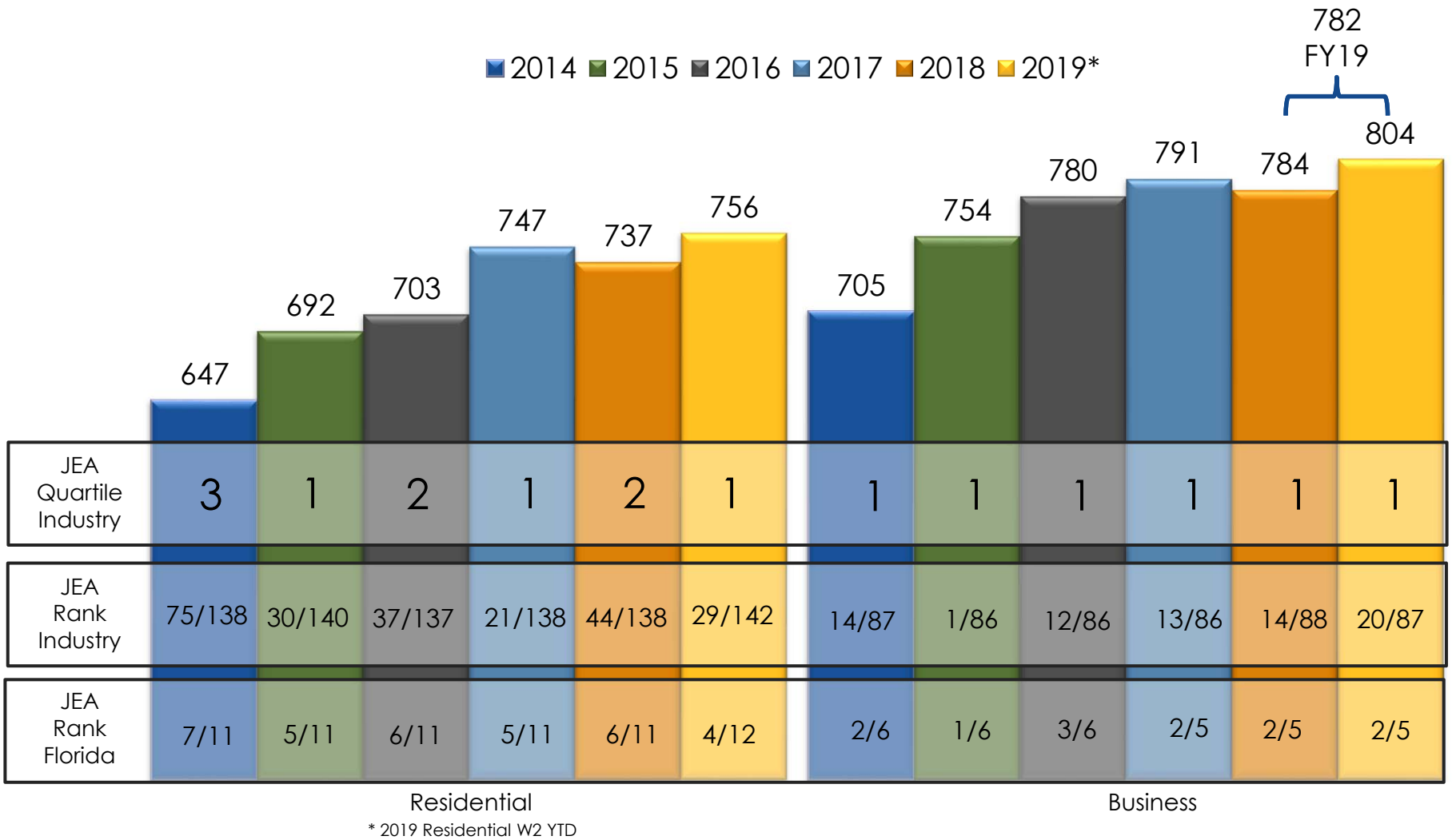
Placeholder

Digital Tools For Customers

TBU – Slides to be received from JEA

JD Powers

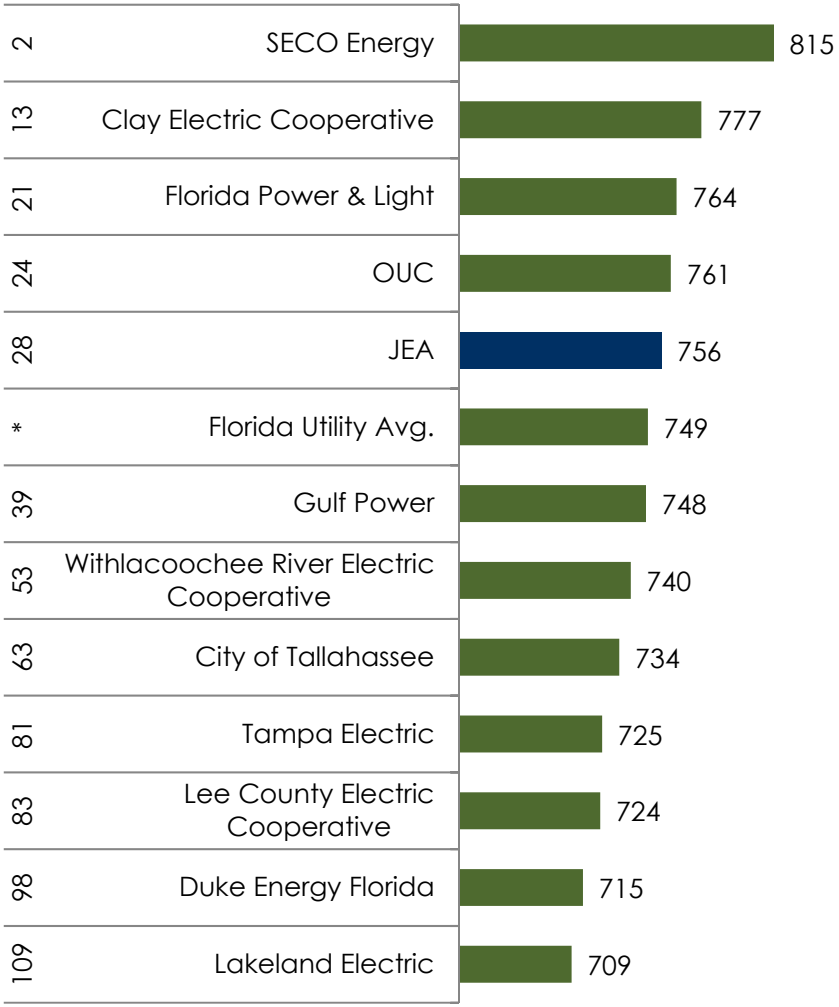
Customer Satisfaction Index



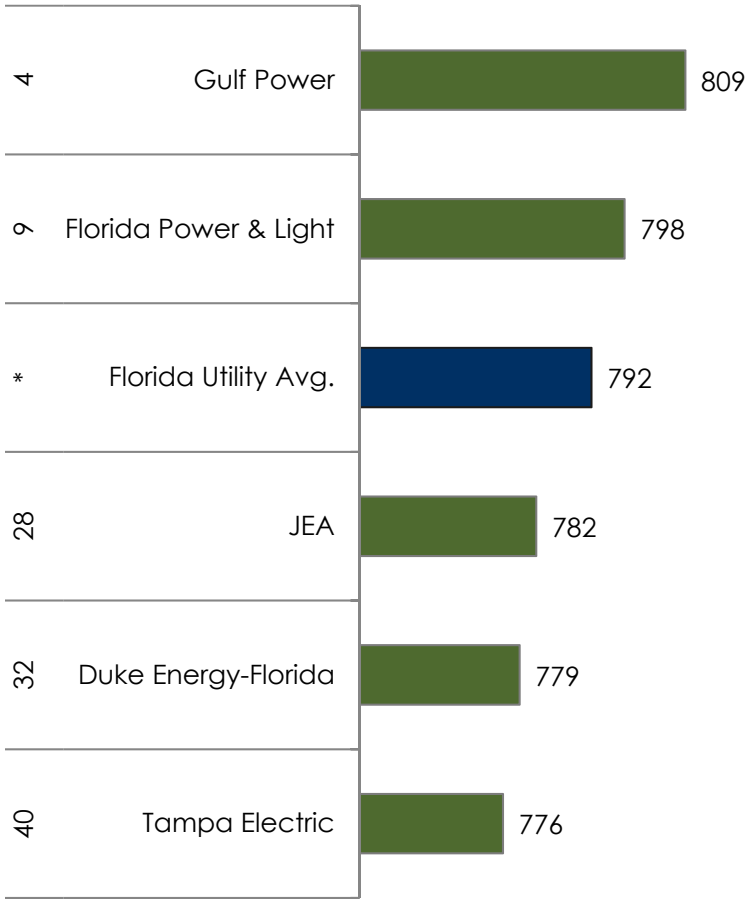
* 2019 Residential W2 YTD

Customer Satisfaction Comparison

Residential 2019 WV1 &WV2



Business 2018 W2 (FY19)



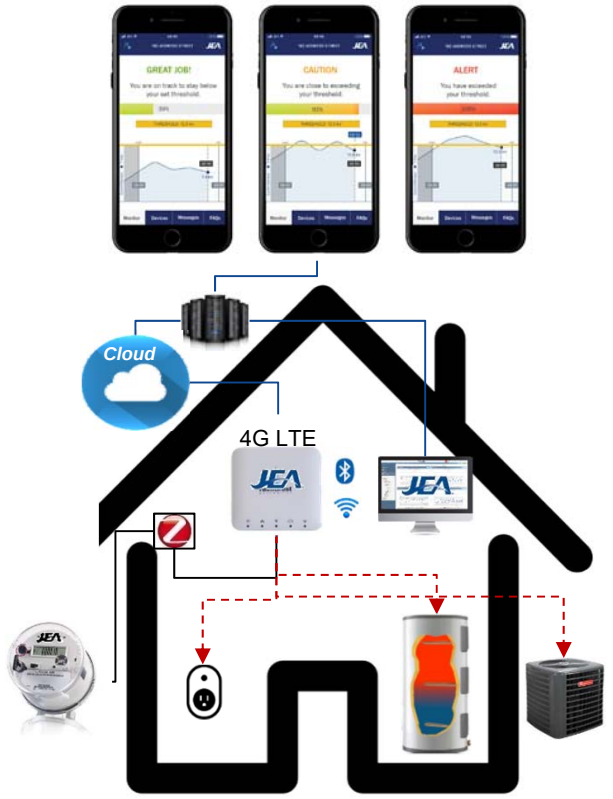
Residential Demand Rate Pilot

Pilot Overview

- Initial work began on the Residential Demand Rate Pilot in 2014 with 116 customer and employees
- Additional focus groups and testing confirmed that demand pricing is less impacted by weather and more stable than kWh
  - JEA also learned that customers perceive more and longer demand intervals to be fairer and enjoy the opportunity to save by avoiding peak periods and the choice it offers
- JEA's work in the field includes chairing a Residential Demand and Time of Use working group that includes 30 individuals representing 15 IOUs, municipal utilities and cooperative utilities to discuss lessons learned and benchmarking opportunities

Pilot Sample Design

	Rate Only	Technology	Low Income	Phase 2 (1)
Dual Flex Pricing Sample	828	225	700	1,000
Daily Flex Pricing Sample	827	225	700	1,000
Total Treatment Size		3,505		2,000
Control Size	10,000		10,000	TBD
Total Control Size		20,000		TBD



Pilot Design

<u>Dual</u> Flex Pricing – Two (2) Demand Charges (2):

- Highest demand during peak hours for the month (Peak)
  - April - October (Summer): Monday - Friday, 12 p.m. - 7 p.m.
  - November - March (Winter): Monday - Friday, 6 a.m. - 9 a.m.
- Highest overall hourly demand for the month (Anytime Hours)

<u>Daily</u> Flex Pricing – One (1) Demand Charges (2):

- Average of the highest hourly demands for each day for the month

Note:
1. Purpose is to backfill attrition, trial messaging and/or other Customer support offerings
2. Continue to charge a Fuel Cost, Environmental Charge and Basic Monthly Charge, as well as fees and taxes

Enabling Technology

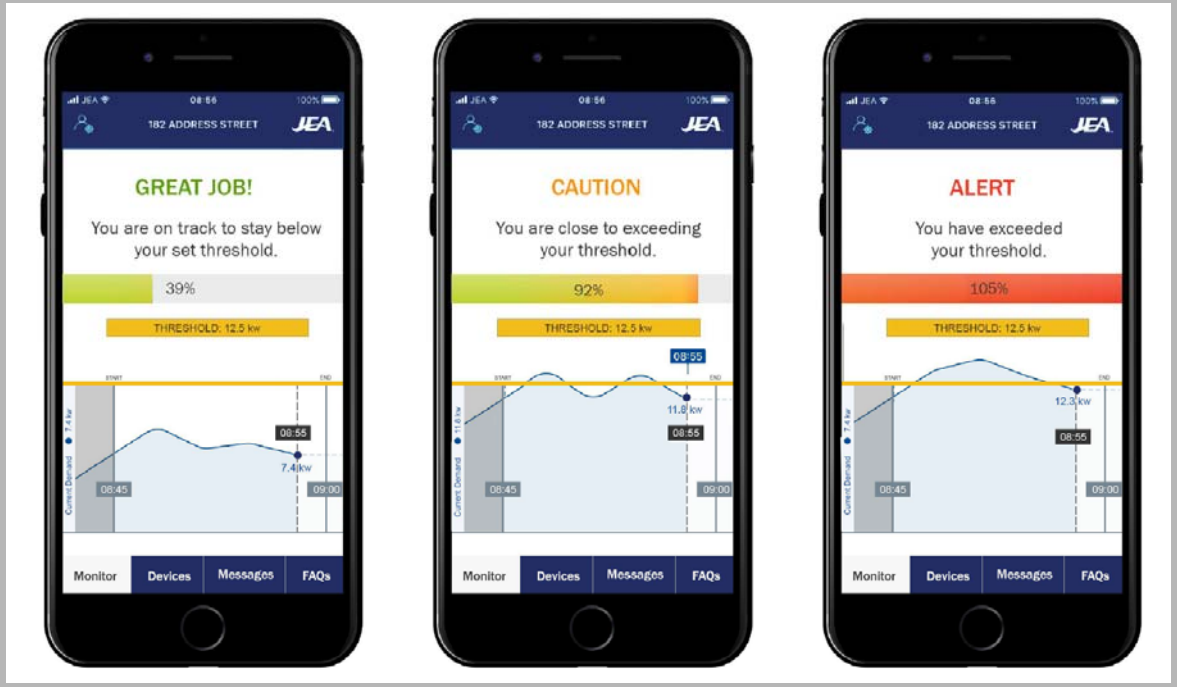
Customer Home Energy Management Tool Pilot

We are in the midst of conducting research and development into the enabling technology we feel is necessary to support the customer in a demand pricing scenario

Our current 250 customer and employee pilot is testing a state-of- the art Customer Home Energy Management (HEM) tool

Our HEM technology includes:

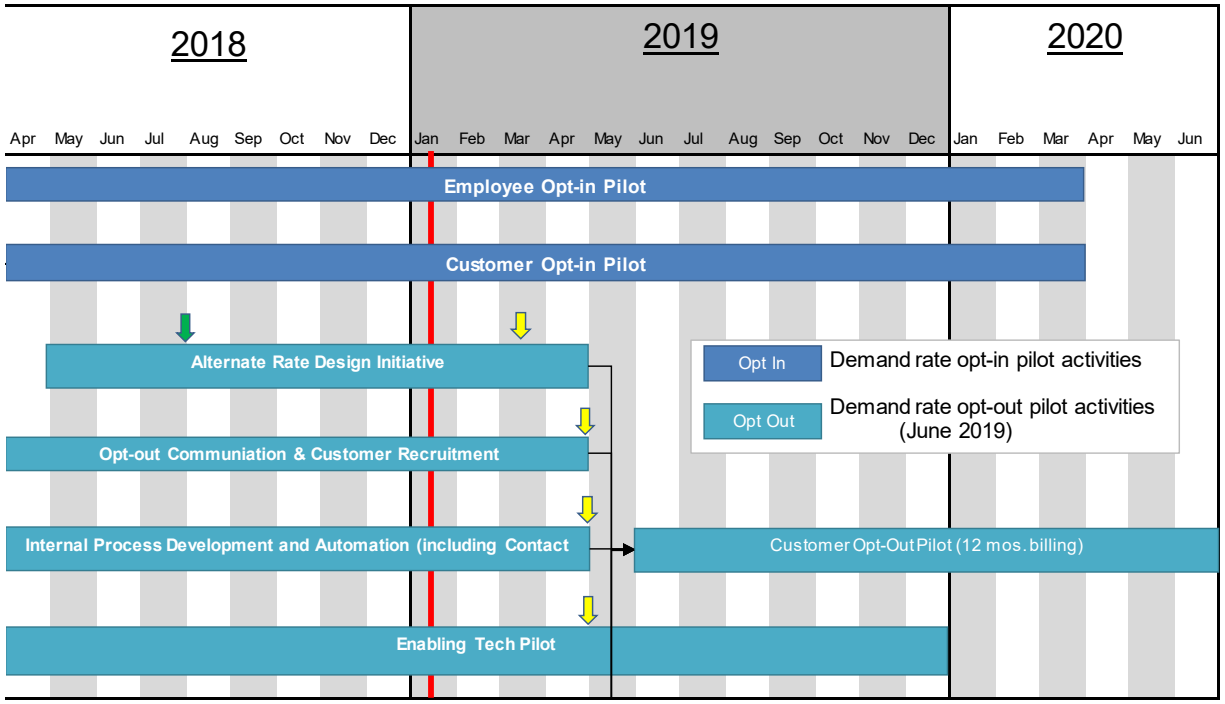
- Cellular gateway that provides 1 minute data off the meter
- A JEA app that will monitor energy usage and provide threshold alerts
- Appliance (HVAC and Water Heater) control
- Fun gamification that encourages education thru entertainment



Demand Program Pilot Timeline

Opt-Out Demand Pilot Goals

- Study how customer behavior change impacts revenue collected and peak generation
- Test and fine tune…
  - Communications (i.e., alerts), delivery method, and timing preferences to customers
  - Customer support responses using segmentation and call center feedback
  - Enabling technology offering
- Evaluate impacts to low income segments
- Review rate robustness to Distributive Energy Resources and technology innovations



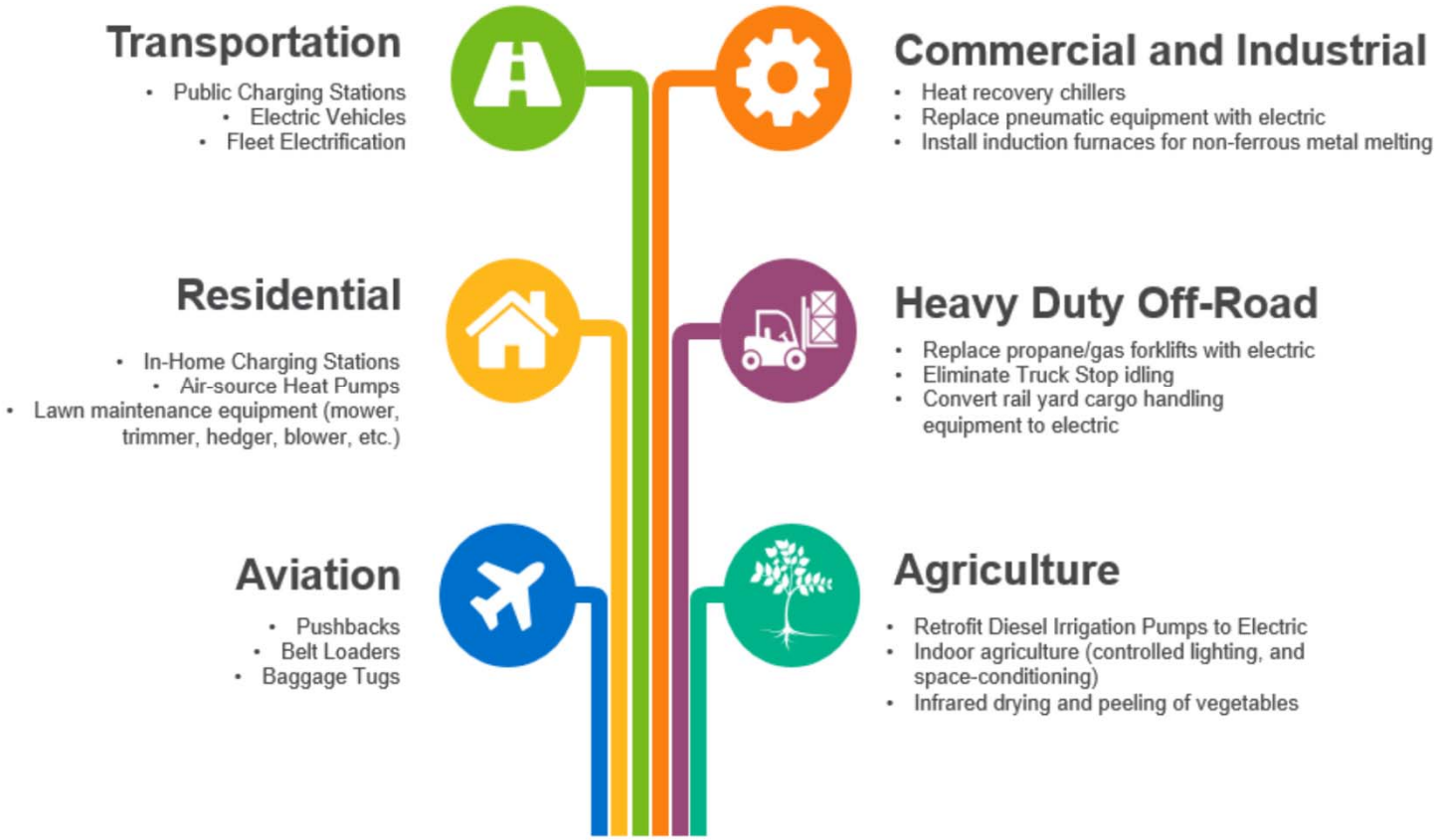
Becoming a Platform For Customer Choice: Electrification Program

What is electrification?

"Electrification is the shift from any non-electric source of energy to electricity at the point of final consumption."
-National Renewable Energy Lab

How is it beneficial?

Beneficial Electrification requires that it be cost-effective for JEA, good for all customers (whether they participate in the program or not), and good or neutral for the environment.
-ICF



Electrification Programs

On-Road Program: Incentives On New Electric Vehicles

Components

- Strategic partnership with Transportation Planning Organization (TPO) and Drive Electric Florida
- EV Educational Forums
- Charging Infrastructures Support
- Trusted Advisor
- Promotional outreach

New Electric Vehicle	JEA Incentive
Battery size less than 15kWh	$500
Battery size of 15kWh or higher	$1,500

Electrification Programs

Non-Road Electro-Technology (NRE) Program: Conversion of Commercial and Industrial Diesel/Propane Equipment to Electric

Components

- Direct business to business customer analysis and sales
- Marketing
- Vendor training
- Consultation with JEA customers
- Technical support
- Financial analysis
- QA/QC inspections

Electro-technology	JEA Incentive
Forklifts	$300
Airport Ground Support Equipment	$100-$600
Truck Refrigeration Units	$200
Heavy-Duty Truck Stop	$200
Cranes	$15,000-$75,000
Golf Carts	$50
Welders	$500

JEA's Electrification Future

There exists an opportunity to increase the scale and scope of both the on-road and non-road program. By adding additional technologies, program design elements, and budget, JEA may be able to:

- Significantly increase the revenue and values from the programs
- Put downward pressure on rates
- Provide a more flexible and efficient JEA load shape
- Significantly reduce JEA's (and its customers') environmental footprint

JEA is currently conducting a study with ICF to quantify the costs and risks of pursuing this opportunity. The study will be complete this year

Community Benefits from ITN

TBU – Slides to be received from JEA

Overview

Section 6

Supply Chain Management

Supply Chain

Placeholder Overview Slide

Slide to introduce this section of presentation and business.

Notes:

Emergency Preparedness

To be inserted: JEA Emergency Management- Supply Chain Overview

Emergency Preparedness

To be inserted: Emergency Mgmt State, County, & Agency Coordination

Emergency Preparedness

To be inserted: Duval County EOC Structure

Emergency Preparedness

To be inserted: JEA Incident Command Structure

Emergency Preparedness

To be inserted: Corporate risk and mitigation as it pertains to storm season

Business Continuity Risk of Downtown Campus

Remaining Risks to Downtown Campus (unmitigated)

- Tower Basement Flooding- air handlers, generator, electrical switchgear in basement for entire building systems
- Water Intrusion- window and wall leaks from blowing, heavy rains, and risks to First Coast Radio Center equipment currently housed on T-18
- Elevator Malfunctioning- water intrusion, controls, electrical, high wind shut down
- EOC operation- requires off-site back-up, current option has limited space remote location farther from COJ EOC
- Call Center Back Up Location- limited space likely limits ability to provide similar service levels following a future storm
- Ongoing hurricane/grey sky risk
- General employee safety considerations
- Aging building conditions- current campus is in need of significant restoration and rebuilding with major building systems reaching the end of their useful lives.

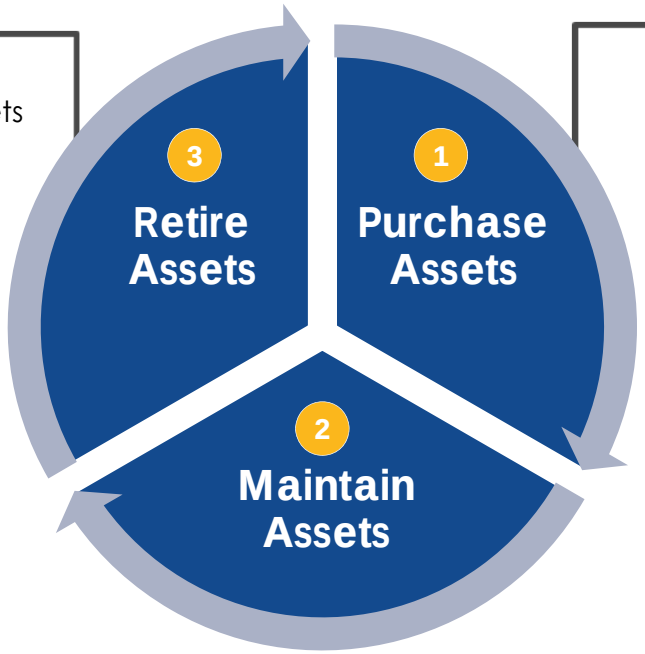
New Downtown Headquarters

TBU – Slides to be received from JEA

Placeholder

Fleet

Fleet Lifecycle



- De-commissioning
- Returning Replaced Assets
- Transfer to Investment Recovery

- Establish Replacement List & Additions
- User Meetings
- Specifications & Standardization
- Bid & Order Assets
- Receiving and In-processing
- Deploying New Units

- Utilization
- After Hours Support
- Fueling
- Modifications

- Preventative Maintenance
- Accidents/Damage/Misuse
- Corrective Maintenance
- Vendor Performance Monitoring

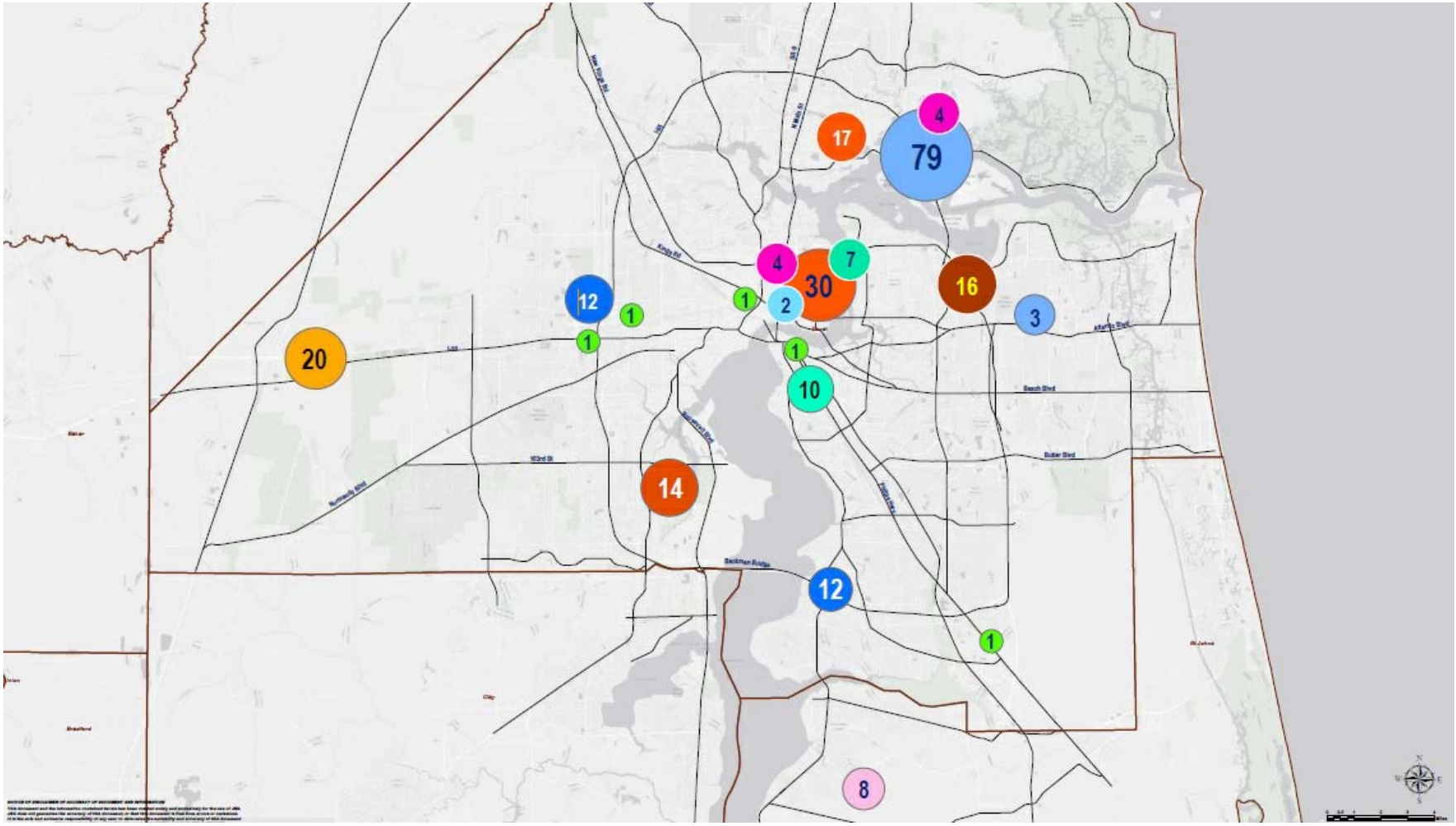
Heavy Duty Vehicles	Medium Duty Vehicles	Light Duty Vehicles	Equipment and Trailers
267	483	396	486

JEA currently owns and operates approximately 1,600 assets in its fleet, worth about $111M. The entire fleet lifecycle is managed by a staff of thirteen people and 100% of the repairs and maintenance are outsourced to local vendors.

Facilities- *Manned Facilities*

No	System	Name	# of Buildings	SF of BLDG	Date Built	Age (Years)	Capital Improvements	Date of last (or planned) Capital Improvement
1	Water	Springfield Lab	2	25,487	1870	149	$1,200,000	FY18-FY20
2	Water	Buckman	30	83,213	1961	58	$4,250,000	FY18-FY20
3	Water	Plaza I	1	181,500	1962	57		New Headquarters
4	Water	Plaza II	1	144,000	1962	57		New Headquarters
5	Electric	Plaza III	1	20,000	1962	57		New Headquarters
6	Electric	South Side Service Center	10	43,675	1965	54	$2,000,000	FY21-FY22
7	Electric	Commonwealth Service Center	1	33,313	1969	50	$2,500,000	FY19-FY22
8	Water	District II	17	7,231	1969	50	$300,000	FY19-FY20
9	Electric	Westside Service Center	12	39,933	1970	49	$4,800,000	FY19-FY20
10	Water	Southwest	14	9,570	1977	41	$5,000,000	FY21-FY23
11	Water	Arlington East	16	21,635	1980	39	$2,000,000	FY22-FY23
12	Water	Mandarian	12	12,556	1980	39	$1,600,000	FY21-FY24
13	Electric	SJRPP	4	3,600	1983	36		Decommissioned
14	Water	SOCC	1	55,453	1988	31	$350,000	FY21-FY22
15	Water	Pearl Street Service Center	4	40,356	1989	30	$4,200,000	FY17-FY19
16	Water	Ridenour	3	12,908	1998	21	$500,000	FY17, FY19
17	Electric	Brandy Branch Generation Station	20	21,966	1999	20	$100,000	FY19-FY20
18	Water	Blacksford	8	11,200	2007	12	$80,000	FY19-FY20
19	Electric	GEC	1	2,000	2010	9	$150,000	FY21
20	Electric	Kennedy Generation Station	7	62,371			$300,000	FY23
21	Electric	Northside Generation Station	79	464,805			$300,000	FY20-FY22

Facilities- *Manned Facilities*



JSEB Program

What is JSEB?

Jacksonville Small and Emerging Business (JSEB) program is a race and gender neutral, local small business program, which has been in existence since 2004 which allows: sheltered markets for JSEB companies, JSEB subcontracting goals in open market solicitations, and RFP evaluation criteria favoring JSEB companies.

City Ordinance 2004-602-E requires City Agencies to allocate 18 to 20% of their available spend with JSEB certified firms.

COJ manages the application process for JSEB certification. There are currently 300 certified JSEB Vendors.

Three Sheltered Markets

JSEB Requirements

- Owner must either be a resident in Duval County for a minimum twelve (12) consecutive month period immediately preceding the JSEB application date OR have an established business headquartered in Duval County for a minimum of 3 years, and be a resident in Duval, St. Johns, Nassau, Baker or Clay County for at least one year.
- Personal net worth of $1,325,000 or less, excluding personal residence.
- 3 year average gross receipts do not exceed $12M.
- Own and control more than 51% of business.
- Be a for-profit and small business.

JSEB's Doing Business With JEA

Procurement

To be inserted: Procurement scorecard

Notes:

Procurement

To be inserted: Procurement Current Constraints and Opportunities

Notes:

JEA

Section 7

Planning & Environmental

Planning & Environmental

Placeholder Overview Slide

Slide to introduce this section of presentation and business.

Notes:

History of Our Environmental Impact

TBU – Slides to be received from JEA

Overview

CUP: Water Supply Sustainability Plan

iWater
JEA Water Supply Testing and Rehabilitation Program

FY15 to FY20

IWRP Study
Integrated Water Resource Plan

FY19 to FY21

Implementation Plan
JEA Water Supply and Demand Program

FY20 …

Production & Transmission

- Well rehab and performance for 84 of JEA's 137 raw water wells
- Hydraulic and water quality modeling
- Identify transmission piping projects

Supply & Transmission

- Maximize reclaimed water
- TWMP* (FY 2000 to Present)
- Water purification demonstration plant
- 3rd river crossing evaluation
- Aquifer storage and recovery

* JEA's Total Water Management Plan (TWMP)

IWRP Implementation

- Alternative water supplies
- Conservation messaging
- Demand-side management program
- Comprehensive communication plan

- JEA obtained a 20-year consolidated Consumptive Use Permit (CUP) in May 2011
- JEA continues to implement the wellfield rehabilitation and Reclaimed System expansion program
- Sustainable water supply will integrate outcomes of the IWRP

Integrated Water Resource Plan

Integrated Water Resource Plan Philosophy

- Water and Wastewater planning has evolved from a traditional water -> wastewater -> discharge model to a full water ecosystem
- The ecosystem allows water and wastewater utilities like JEA to serve growing populations with reliable, safe, clean water supply in an environmentally responsible way
- This ecosystem approach guides significant capital investments in the future

Water Purification Technology Program | Alternative Sources of Water

Water Purification Technology Program Overview

- Potable water demands within JEA's service area are anticipated to increase
- Conservation and reclaimed water alone are not enough to ensure a future sustainable supply, and therefore alternative water supplies must be considered
- JEA has taken a proactive approach by launching a three-phased program to evaluate potable reuse
  - Research and Development: testing two leading technologies at two water reclamation facilities
  - Demonstration of production to educate the community and demonstrate safety and reliability of technology
  - Commercial implementation: potential for full-scale deployment

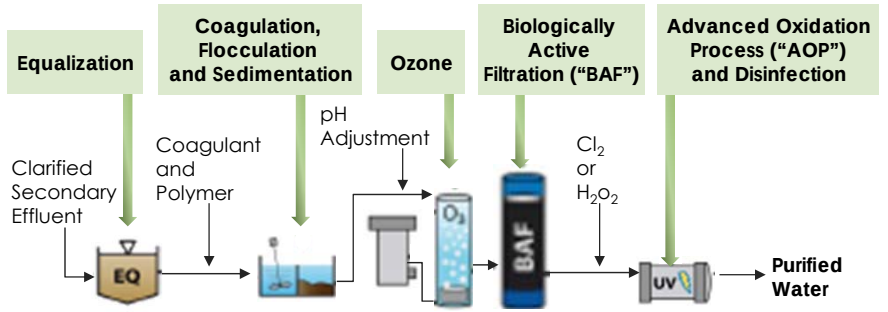
Phase 1: Research and Development

Phase I Testing Results

- Water quality goals for Phase I testing were established based on EPA's drinking water standards, FDEP's standards for aquifer injection, and California's current potable reuse guidelines
- Throughout the duration of Phase I testing, over 3,000 water quality samples were collected and analyzed to evaluate the performance of UF-LPRO-AOP compared with Ozone-BAF-AOP
- While both treatment systems produced purified water that met water qulity goals established for the water quality, the UF-LRPO-AOP system demonstrated better removal efficiency (>99%) of currently unregulated constituents
- A lifecycle cost analysis revealed the cost of implementing either treatment technology at full scale was nearly the same
- Given some operational advantages and the ability to consistently produce higher water quality at a similar cost, UF-LPRO-AOP was selected for implementation in future phases
- This state-of-the-art, multi-barrier treatment approach is both proven and reliable, making it the most widely-used water purification technology throughout the U.S. and globally

Water Purification Technologies Tested

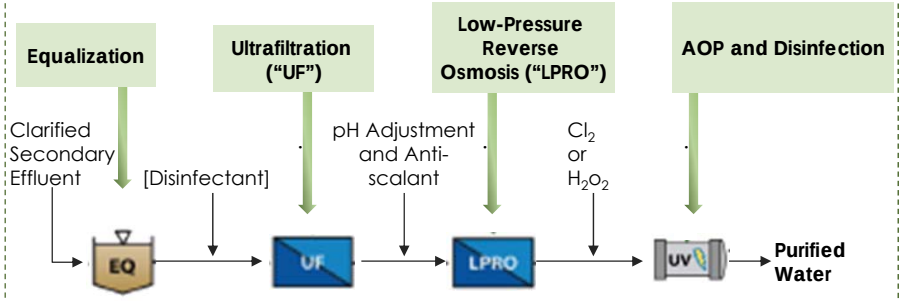
Ozonation followed by Biologically Active Filtration and Advanced Oxidation ("Ozone-BAF-AOP")



Vs.

SELECTED

Ultrafiltration followed by Low-Pressure Reverse Osmosis and Advanced Oxidation Processes ("UF-LPRO-AOP")



“One Water” Program | Alternative Sources of Water

Phase I: Research and Development

- Phase I testing included testing of over 3,000 water quality samples to evaluate the performance of two water purification technologies (UF-LPRO-AOP compared with Ozone-BAF-AOP)
- UF-LPRO-AOP was selected due to its operational advantages and the ability to consistently produce higher water quality at a similar cost,
  - This state-of-the-art, multi-barrier treatment approach is both proven and reliable, making it the most widely-used water purification technology throughout the U.S. and globally

Phase II: Demonstration

Water Purification Demonstration Facility

Key Aspects

Cost	O&M	Construction	Building Size	Area
$15MM – $20MM	~$1MM/yr	18 Months	11,000 sq.ft.	2-5 acres

Capable **of producing up to 1.0 MGD**

Learning Center area for public tours and operator training

Offices for personnel, equipment, and conference rooms

Demonstrating Safe and Reliable Alternative Water Supply Through a Collaborative Partnership with the State

Phase III: Commercial Implementation

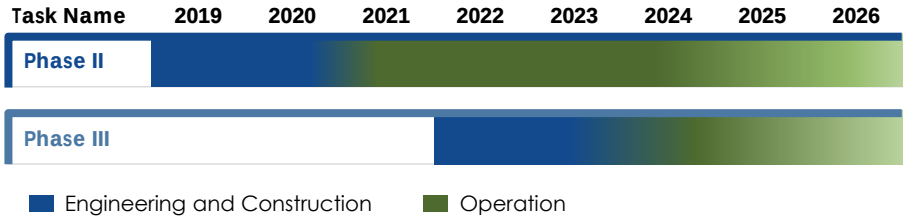
Potential for Planned Full Scale Deployment

Key Aspects

Cost	O&M	Begin Design	Building Size	Area
$94MM	$5MM	3 years	32,000 sq.ft.	5-10 acres

For planning purposes, this facility is assumed to be **10 MGD capacity**

JEA plans to lead the state in full commercial application of potable reuse results of Phase II performance optimization and JEA’s Integrated Water Resources Plan (“IWRP”) will identify the timing, quantity, and locational needs for implementing Phase III of the WPT Program



Full scale implementation at 40 MGD would cost an estimated ~$815MM

Proposed Northwest Water Reclamation Facility

Development interest in northwest Jacksonville has totaled up to nearly 11,000 residential connections.

Investing in future areas to support sustainable growth for the community.

Project implementation

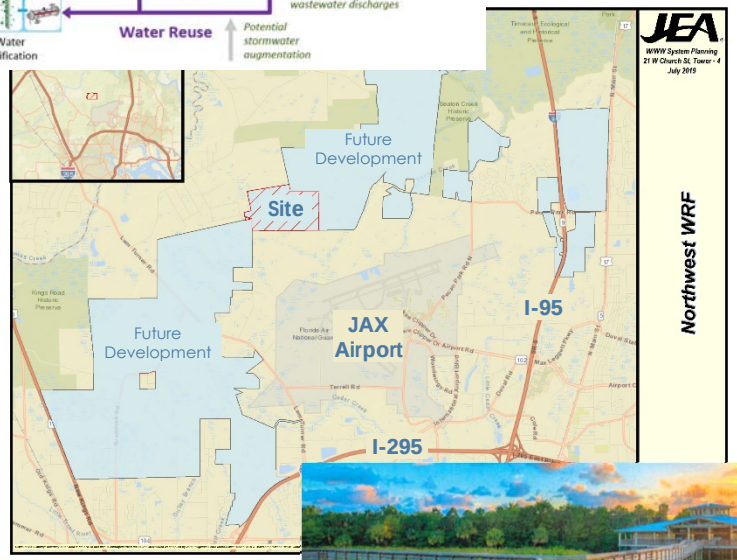
- Construction of facilities will be phased to match the needs of the customers.
- Acquire Property FY 20
- Site Planning/Design FY21
- Phase I Construction FY26 A4

Site presents opportunities to explore:

- 100% Reclaimed Water
- Integrated Water Supply Planning
- Constructed Wetlands for treatment and Storage
- Unique partnerships within the community for additional water supplies

Flow projections for new development:

- Potable Water: 4 MGD
- Wastewater: 4 MGD
- Reclaimed Water: 7 MGD



JEA Meeting the Needs of the Growing Community

Source: [ ]

A4 Verify cost is in 10 year plan

Author, 10/4/2019

Water & Wastewater System Ten Year Capital Plan

TBU – McKinsey

Notes:

Nitrogen Reduction

TBU – Slides to be received from JEA

Placeholder

Public-Private Partnership For Organic Recycling

PUBLIC-PRIVATE PARTNERSHIP FOR ORGANIC RECYLING

Merchant Organics Recycling Facility (MORF) replaces Buckman's pelletizer as the next generation in beneficial use

- Reduces energy demand and landfill waste
- Greater market opportunity due to type of fertilizer produced
- Lower cost to customers

Evolution of Generation Portfolio in the Next Decade

Conventional Generation Fleet

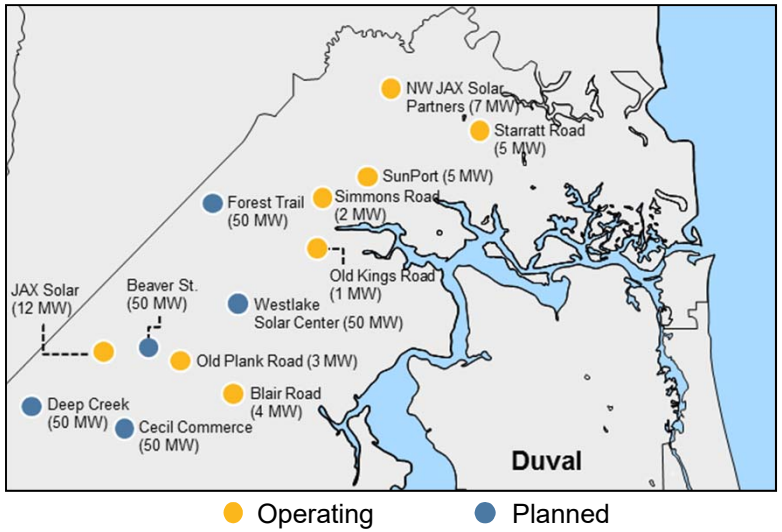
JEA is planning two significant retirements and replacements to maximize value to customers in the community:

- Beginning in 2025, JEA will replace the 524 MW Northside Unit 3 with a natural gas combined cycle facility
  - This replacement enables the smooth retirement of a vintage 1977 unit from JEA's fleet and replacement with a more efficient facility, improving JEA's environmental footprint

Renewable Fleet of Future

- Later In the decade, JEA expects solar + storage to offset the costs of operating Units 1 & 2, allowing JEA to replace 586 MW of coal generation with clean, reliable capacity and energy
  - Enhanced investment opportunity resulting in lower overall rates to customers and substantially improving JEA's environmental footprint is a unique win-win-win opportunity

Counterparties [1]: PSEG, American Electric Power, VeloSolar / Cox, C2 Energy Capital, Hecate Grid, Mirasol Farco Solar, NationalSolar, EDF renewables, Inman Solar Holdings 2, LLC



Source: JEA Ten Year Site Plan, April 2019

The Northside replacement initiatives and additions to JEA's portfolio of solar PPAs represent a material increase in renewable energy that has the ability to improve JEA's environmental footprint and lower overall customer rates

Note:
1. JEA has a PPA with each of these counterparties; these PPAs include buyout rights at varying dates as negotiated with the respective counterparties

Utility Owned Distributed Generation

Distributed Generation Overview

- We are developing plans to determine the viability of integrating a utility-owned distributed generator (likely a gas-powered Reciprocating Internal Combustion Engine (RICE)) or small turbine at 2 potential locations. One near a large institutional campus; the other potential site is near a large manufacturer. This additional generation will accommodate future planned load growth at either location and cover the contingency of loss of one Substation Transformers at peak load times for either customer site. The DG allows for the creation of microgrids providing additional resiliency for the targeted customers

Customer Focus - Resiliency

- The DG allows for the creation of microgrids providing additional resiliency for the targeted customers

Task Name	2020				2021				2022				2023			
	Jan	April	July	Oct	Jan	April	July	Oct	Jan	April	July	Oct	Jan	April	July	Oct
Develop Proposal																
Meet with Customers																
Create Scope of Work																
Issue RFP																
Review submittals																
Finalize Agreement																
Initiate Studies																
Construction																
Test & Commission																
COD																

The estimated cost for six (6) - 18 MW RICE engines is $104M plus gas line extension costs; cost for two (2) – 18 MW RICE engines is estimated at $45M

Source: [ ]

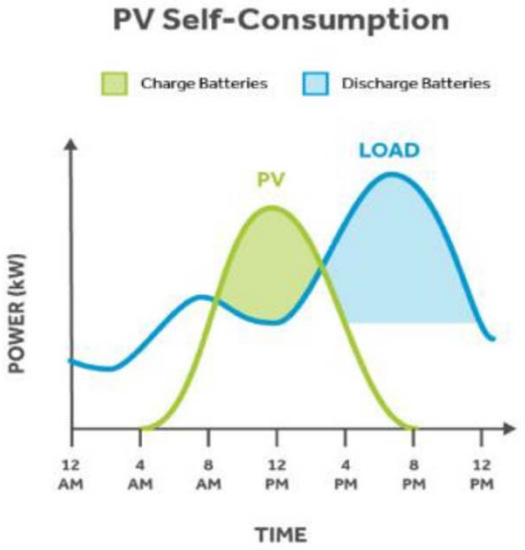
Virtual Power Plant

Virtual Power Plant Pilot Project Overview

- A virtual power plant (VPP) works remotely to combine a number of independent energy resources from disparate locations into a network that provides reliable power 24 hours a day. These sources can be utility assets or behind the meter customer assets. The plants employ software-based technology that relies on the smart grid. JEA has had preliminary discussions with Sonnen and Tesla, both of whom are developing battery based VPPs. For FY20, the goal is to develop a pilot project plan to integrate a customer battery program with a VPP package and build the groundwork for deployment. The vision is to develop a platform to accommodate VPP growth, which will be more flexible (albeit potentially more expensive) than traditional generation. We will likely look at employing this technology as part of a microgrid solution.

Conceptual Schedule

	2020				2021				2022			
Task Name	Jan	April	July	Oct	Jan	April	July	Oct	Jan	April	July	Oct
Identify Pilot area												
Identify Comm needs												
Issue RFP												
Review submittals												
Finalize Agreement												
Sign up Customers												
Construction												
Test & Commission												



The full deployment cost for 150 MW's (30k units) of output is estimated around $243M plus $5M for communication infrastructure not including wholesale replacement of Li-ion batteries every 10 years (cost not determined)

Source: [ ]

Utility Scale Battery Storage

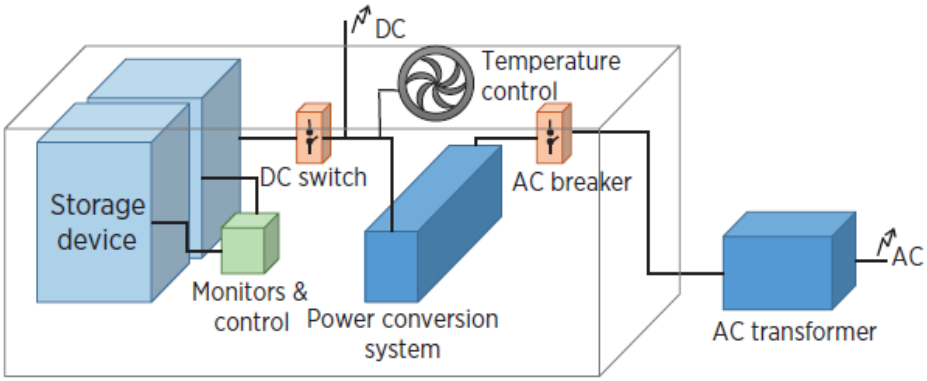
Utility Scale Battery Storage Overview

- The new 5x50 MW Solar plants were contracted requiring the developer to leave an area near the interconnection point, with an easy connection for future storage ("Plug and Play" Storage). In FY20, we will issue an RFP to establish the pricing for these connections. Quantity and capacity is yet to be determined, but we anticipate in the vicinity of 20-30 MW per site (total of 100-150 MW). The primary use case for the storage would likely alternate – load balancing in the summer and shoulder seasons (levelizing the real-time solar output) and peak trimming in the winter

High Level Schedule

- Issue RFP in FY20 for both PPA or full ownership options. Determining battery technology to be part of RFP submittal.
- Begin negotiations and sign PPAs for all 5 sites.
- Perform required Generator Interconnection studies for JEA and FRCC and obtain approvals
- Construct and commission.
- Achieve COD by 12-31-22

Task Name	2020				2021				2022			
	Jan	April	July	Oct	Jan	April	July	Oct	Jan	April	July	Oct
Issue RFP												
Review submittals												
Finalize Agreement												
Initiate Studies												
Construction												
Test & Commission												
COD												



The cost for 150 MW's for 4 hours of output is estimated around $180M not including wholesale replacement of Li-ion batteries every 10 years (cost not determined)

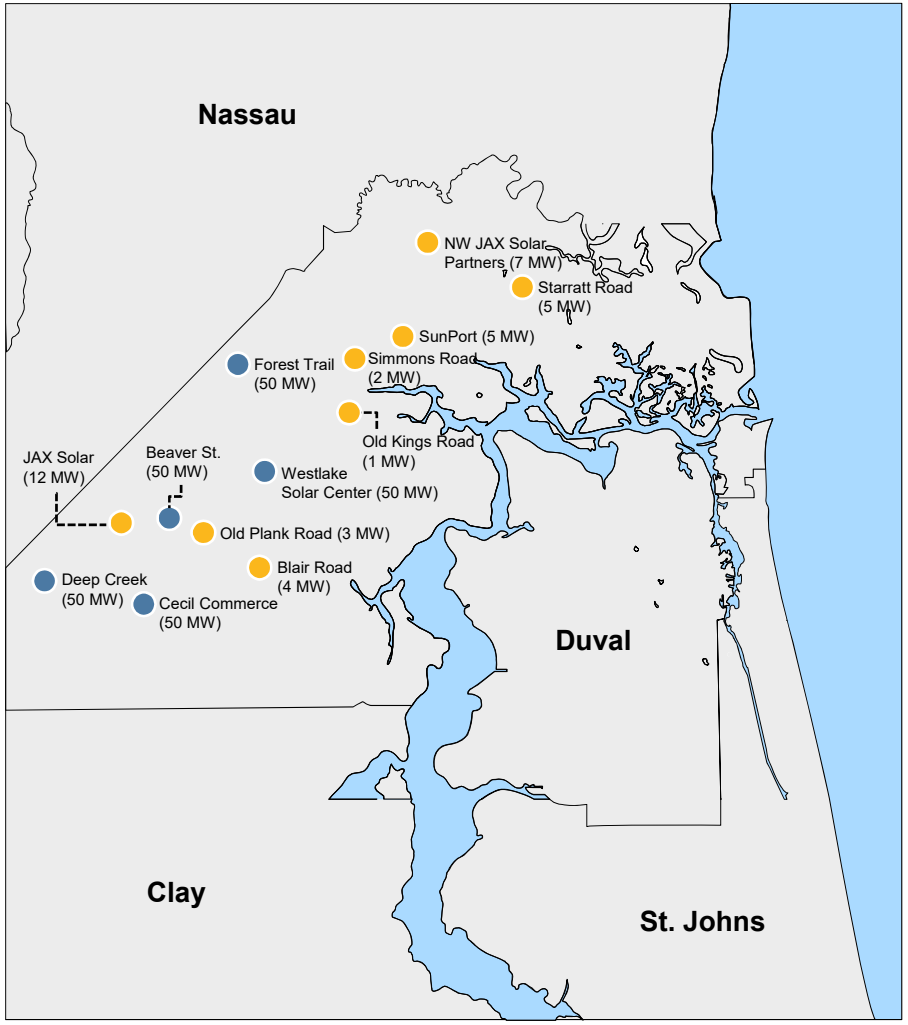
Source: [ ]

Solar PPAs

Summary of Solar Power Purchase Agreements ("PPAs")

Project	MW	Counterparty	Start Date	End Date	Length (Years)
Operating					
JAX Solar	12	PSEG	Sep-10	Sep-40	30
NW JAX Solar Partners	7	American Electric Power	May-17	May-42	25
Old Plank Road	3	VeloSolar / COX	Oct-17	Oct-37	20
Starratt Road	5	C2 Energy Capital	Dec-17	Dec-37	20
Simmons Road	2	Inman Solar Holdings 2, LLC	Jan-18	Jan-38	20
Blair Road	4	Hecate Grid	Jan-18	Jan-38	20
Old Kings Road	1	Mirasol Fafco Solar	Oct-18	Oct-38	20
SunPort	5	NationalSolar	Oct-19	Oct-39	20
Total Operating	**39**				
Planned					
Cecil Commerce Solar Cen	50	EDF renewables	Feb-21	Feb-45	24
Forest Trail Solar Center	50	EDF renewables	May-21	May-46	25
Deep Creek Solar Center	50	EDF renewables	Aug-21	Aug-46	25
Westlake Solar Center	50	EDF renewables	Oct-21	Oct-46	25
Beaver St. Solar Center	50	EDF renewables	Jan-22	Jan-47	25
Total Planned	**250**				
Total Operating & Planned	**289**				

Source: JEA Ten Year Site Plan, April 2019



JEA retains buyout options on the Cecil, Forest Trail, Deep Creek, Westlake and Beaver St. facilities at 10 years, 20 year and 25 years, respectively

Northside 1 & 2 Replacement with batteries and solar

Placeholder

TBU – Slides to be received from JEA. MK will be providing generation study back up

Energy System Ten Year Capital Plan

TBU – McKinsey

Notes:

Economic Development

TBU- JAXUSA

Notes:

Environmental Liabilities & Opportunities

TBU – Slides to be received from JEA

Placeholder

Section 8

IT and Compliance

IT

Placeholder Overview Slide

Slide to introduce this section of presentation and business.

Notes:

Cybersecurity

TBU – Slides to be received from JEA

Overview

Major IP Infrastructure

TBU – Slides to be received from JEA

Overview

Compliance Processes

Critical Infrastructure Protection (CIP) Compliance	• Regulatory Compliance
Electric Compliance	• Regulatory Compliance
Physical Security	• Corporate Records • Identity Access Management • Physical Security of all JEA locations
Audit Services	• Internal Audit • Forensic Investigations • Enterprise Risk Management
Ethics	• Interface with COJ Ethics • Hotline Monitoring • Advise employees/management

Compliance

TBU

Compliance Philosophy

Compliance not Defense

- Follow Rules
- Meet regulatory schedules/deadlines
- Volunteer- draft standards (so we agree and support)
- Regulator Relationships
- Encourage business to ask for help and ask questions
- Audit Services helps establish compliance controls

Compliance Results

NERC Audits (2008, 2011, 2014 and 2017)

- Operations and Planning audits
- Total of 4 minimum findings, $0 penalties

CIP audits

- No audit findings

Self Report Settlements:

- 2012-13- $33,000
- 2014-15- $25,000
- 2018-192- $301,000

Next Audits

- CIP March 2020
- O&P April 2020

Physical Security

TBU

Functions

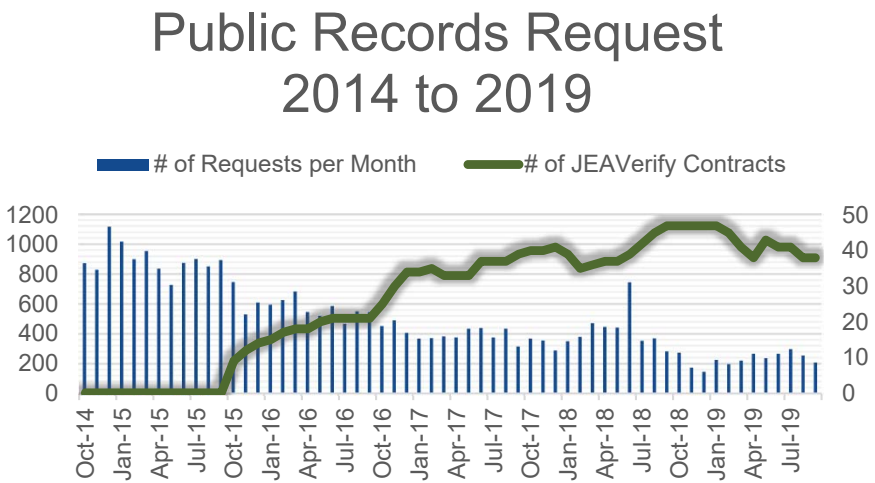
- Security Operations
- Investigations
- IAM
- Establish and maintain relationships with DHS, FBI, USCG, JSO etc.
- Public Records

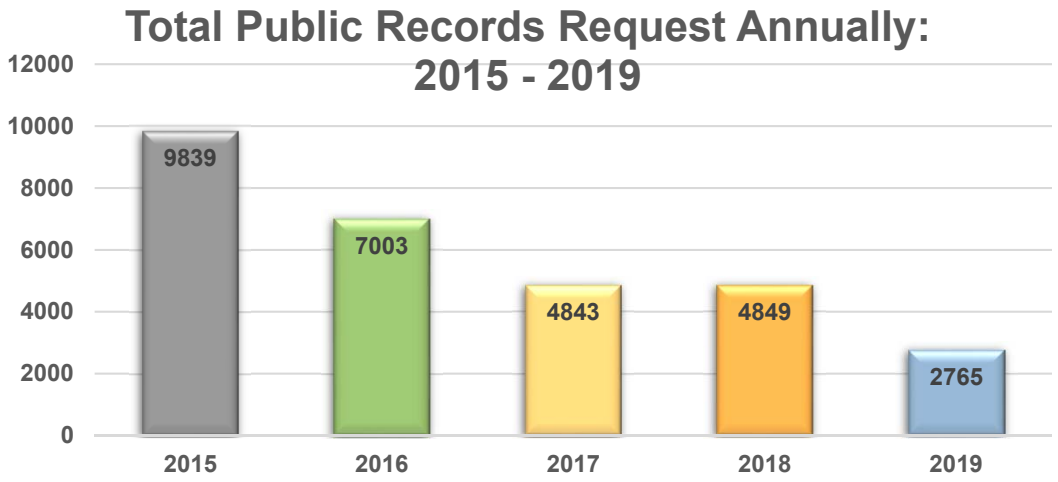
Scope

- 17 Security Professionals
- 680 physical structures (1100 card readers)
- 2500 surveillance cameras
  - All Substations have card entry/access control

Public Records

TBU





Audit Services

2015 JEA Quality Assurance Review, Honkamp Kreguer & Co.

"JEA's AS has demonstrated a commitment to quality, successful leadership practices, and maintaining an internal auditor's mindset for professionalism. Our assessment noted JEA's AS has developed and implemented a methodology, a set of policies & procedures, and built a team of experienced auditors based upon achieving the department's mandate. Evaluation of the internal audit processes and related audit work papers evidenced that JEA's AS takes this role seriously and provides value to the organization in accordance with what is being requested of them."

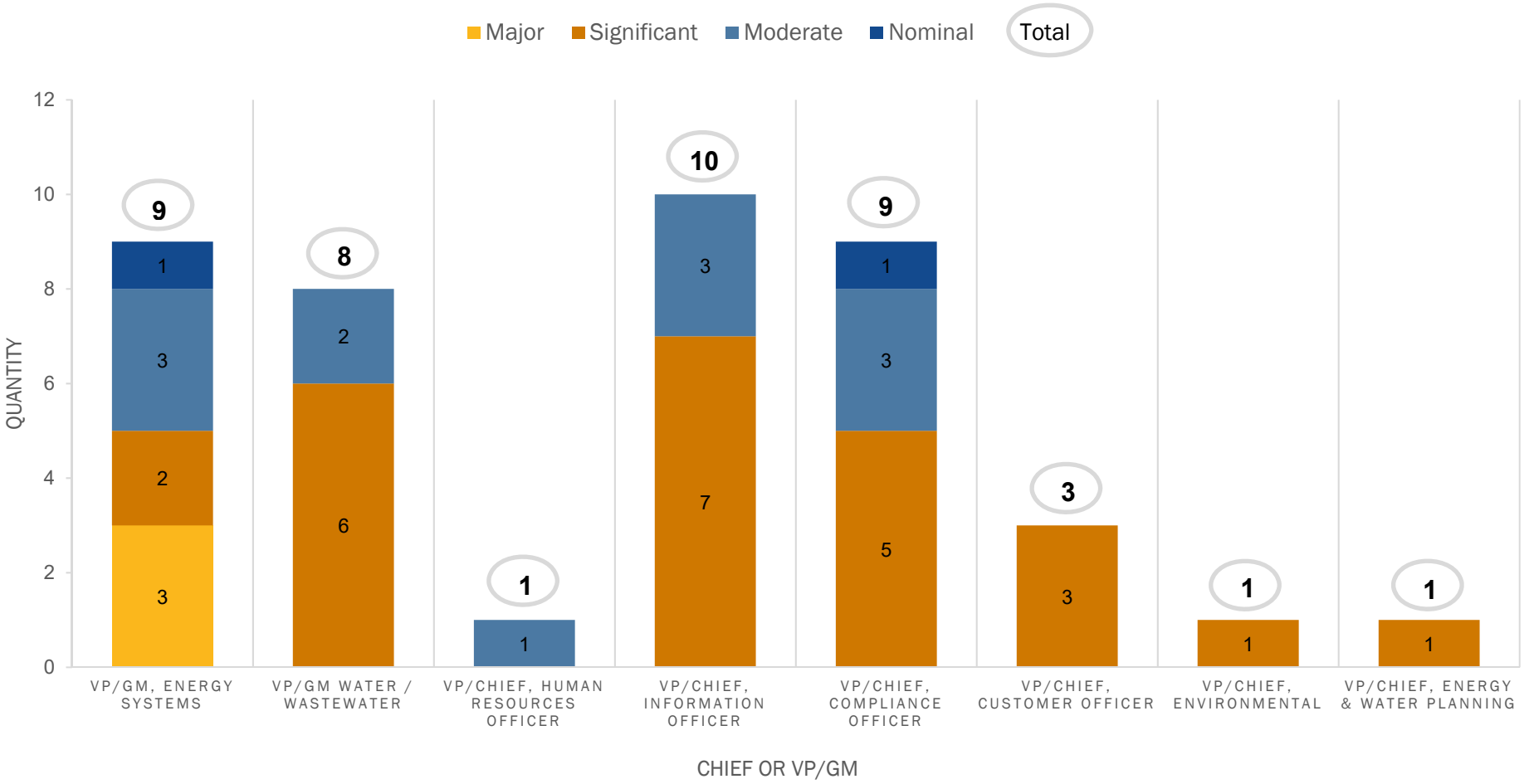
FY20 Audit Calendar

	1Q (Oct – Dec)		2Q (Jan – Mar)		3Q (Apr – Jun)		4Q (Jul – Sept)	
Internal Audits	JEA Academy	●	Procurement	●	POP Process Follow-Up	●	Meter Operations Follow-Up	●
	Business Development & Community Project Management	●	Software Licensing	●	NGS Generation	●	Bulk Power and Customer Service Response	●
	P-Cards	●	Black Belts	●	Cloud Computing	●	Fleet Services	●
					Risk Management	●	Air & Lab Permitting and Compliance	●
					W/WW Planning	●		
Special Projects	JEA Performance Pay Audit	✓			2021 Annual Risk Assessments	●		
	TEA Audit	●			Green-e Agreed-Upon Procedures Engagement	●		
	Cyber Program Assessment	●						

● Not Started ● In Progress ✓ Report in Draft ✓ Final Report Issued

Open Audit Report Issues

Open Action Plans By Issue Rating and VP



Enterprise Risk Management

JEA's Enterprise Risk Management (ERM) program identifies, assesses, measures, and actively manages risk, including mitigation strategies and actions.

Our methodology has been modified to better prioritize risks, relative to each other, and better assess reputation impact of a risk event.

We have developed a new scoring metric and updated our risks based on the new scoring.

Notes:

Enterprise Risk Management

Heat Map Scoring

The risk score is a factor of the risk impact x likelihood which helps us evaluate the criticality of the risks and the need for mitigation. The impact and likelihood criteria have been modified to include additional variables, each of which our ability in determining a risk criticality: as follows:

1. Financial impact now identifies the out-of-pocket /deductible financial impact after insurance coverage payment.
2. Reputational impact of a risk event occurring is now considered.
3. Velocity - Time frame of the risk event occurring is now considered.
4. Influence – Our ability to influence the impact and/or likelihood.
5. Preparedness - Assesses how prepared are we if the risk event occurs; by assessing the effectiveness of current mitigations that reduce the impact and/or likelihood.

Likelihood							
	Almost Certain >90	5	5	10	15	20	25
	Likely 65-90%	4	4	8	12	16	20
	Possible 35-65%	3	3	6	9	12	15
	Unlikely 5-35%	2	2	4	6	8	10
	Rare <5%	1	1	2	3	4	5
			1	2	3	4	5
			Minor	Moderate	Significant	Major	Severe
			Impact				

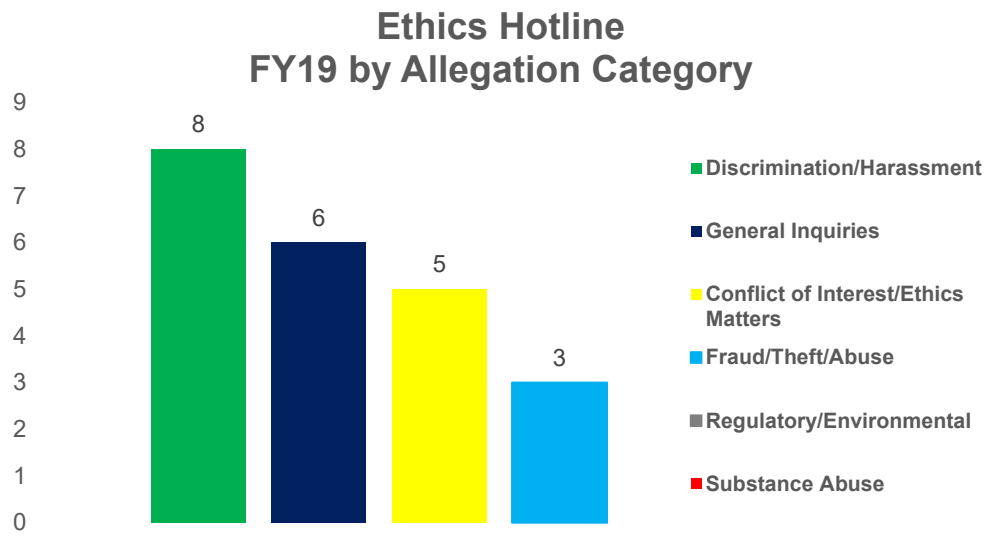
Tier 1	10 - 14	15 - 25
Tier 2	7 - 9	
Tier 3	1 - 3	4 - 6

Notes:

Ethics

TBU

Placeholder- Additional Information Needed



Notes:

Section 9

People / Culture

People & Culture

Placeholder Overview Slide

Slide to introduce this section of presentation and business.

Notes:

JEA's Guiding Principles | Accelerating Utility Innovat

TBD – Is there a less text heavy page available that we could replace this with? Otherwise, we can take a cut at making less dense

GUIDING PRINCIPLES WERE DEVELOPED BY BOARD AND ALL 2,000 EMPLOYEES IN 2018 (FORMAL APPROVAL IN JANUARY 2019)

Vision

Why we exist and who we want to be in the future

Improve lives by accelerating innovation

Mission

How we are going to pursue our vision and what we need to do today to get there

Provide the best service by becoming the center of our customers' energy and water experience

Corporate Measures

Our Mission will be guided by and evaluated against how we as employees drive these four basic Corporate Measures of JEA's value:

The fundamental goal is to maximize each value both now and in the future:

1. **Customer Value:**
   What a customer expects to get in exchange for the price they pay
2. **Financial Value:**
   The monetary value and risk profile, both today and tomorrow, of JEA as it relates to the City
3. **Community Impact Value:**
   Improving the quality of life through innovation and cost-effective service offerings, employee volunteerism and ambassadorship, relevant and timely communications, and support of economic development and job growth throughout JEA's service territory; foster a collaborative and respectful culture that provides exceptional employee value to equip the JEA team to deliver outstanding service and value to its community
4. **Environmental Value:**
   Ensuring a sustainable environment for future generations

Core Competencies

The things we need to be exceptionally and uniquely good at in order to yield better and better results of our Corporate Measures which drive our Mission to demonstrate our Vision

1. **Deliver an unparalleled positive customer experience**
2. **Work together to elevate the entire team**
3. **Innovate and evolve to match our customers' needs with market trends**

JEA's Guiding Principles | Accelerating Utility Innovation

GUIDING PRINCIPLES WERE DEVELOPED BY BOARD AND ALL 2,000 EMPLOYEES IN 2018 (FORMAL APPROVAL IN JANUARY 2019)

JEA Vision

Improve lives by accelerating innovation

Mission

Our mission is to provide the best service by becoming the center of our customers' energy and water experience

Corporate Measures

Our mission will be guided by and evaluated against how we as employees drive these four Corporate Measures of JEA's Value

Notes:

JEA's Guiding Principles | Accelerating Utility Innovat

TBD – Is there a less text heavy page available that we could replace this with? Otherwise, we can take a cut at making less dense

Cultural Values

In every action, system and communication, JEA and its employees strive to abide by our Cultural Values; how we act when no one is looking

Safety:

The health and well-being of our employees and community is paramount to the success of JEA. The work we do at JEA is dangerous and we are committed to habitually protecting our employees and community. Beyond the moral obligation, JEA's value is increased by delivering safety excellence. Measures and strategies designed to prevent, control, reduce or eliminate hazards and risks should be developed and applied continuously to keep pace with technological and economic changes

Service:

Obsessively believe that JEA and our employees' service to our customers and each other is critical to JEA's success. Commit to fostering a service-first culture. Serving with excellence is a choice. Establish a crystal clear plan to ensure customers feel JEA is committed to the best possible service. Foster a collaborative "How can I help?" culture internally. Value and measure the service we provide customers and each other. We volunteer with a spirit of service to build community because it's the one we live in

Integrity:

Trust in truth and transparency. Realize that you have nothing to fear from telling or knowing the truth. Have integrity and demand it from others. Never say anything about someone that you wouldn't say to them directly and give people the benefit of the doubt. Don't let loyalty to people stand in the way of truth and the well-being of the organization. Be open, honest, fair, respectful and ethical at all times

Growth:

Be committed to elevating yourself and JEA. In order to continue to serve our customers and community with excellence our business must grow. Now more than ever we need to be flexible and adapt to the changing utility industry and our customers' changing needs and expectations to improve service to our customers and community while growing as our industry evolves. We also expect our employees to be life-long learners so we provide the training and individual development programs to aid in this accomplishment. Growth means an increase in knowledge, value, wellbeing, or sustainability. Growth is continuous and not always linear. Growth only occurs at JEA when knowledge, value, wellbeing, or sustainability are committed to writing, a process or an institutional system

Accountability:

Each and every employee should operate as an owner of JEA who is responsible for delivering outcomes and results. Hold yourself and others accountable and appreciate them for holding you accountable. If you've agreed with someone that something is supposed to go a certain way, make sure it goes that way—unless you get in sync about doing it differently. Create a culture in which it is "okay" to make mistakes and unacceptable not to learn from them. Be loyal to the common mission and not to anyone who is not operating consistently with it. Get over "blame" and "credit" and get on with "accurate" and "inaccurate." Create an environment in which everyone has the right to understand what makes sense and no one has the right to hold a critical opinion without speaking up

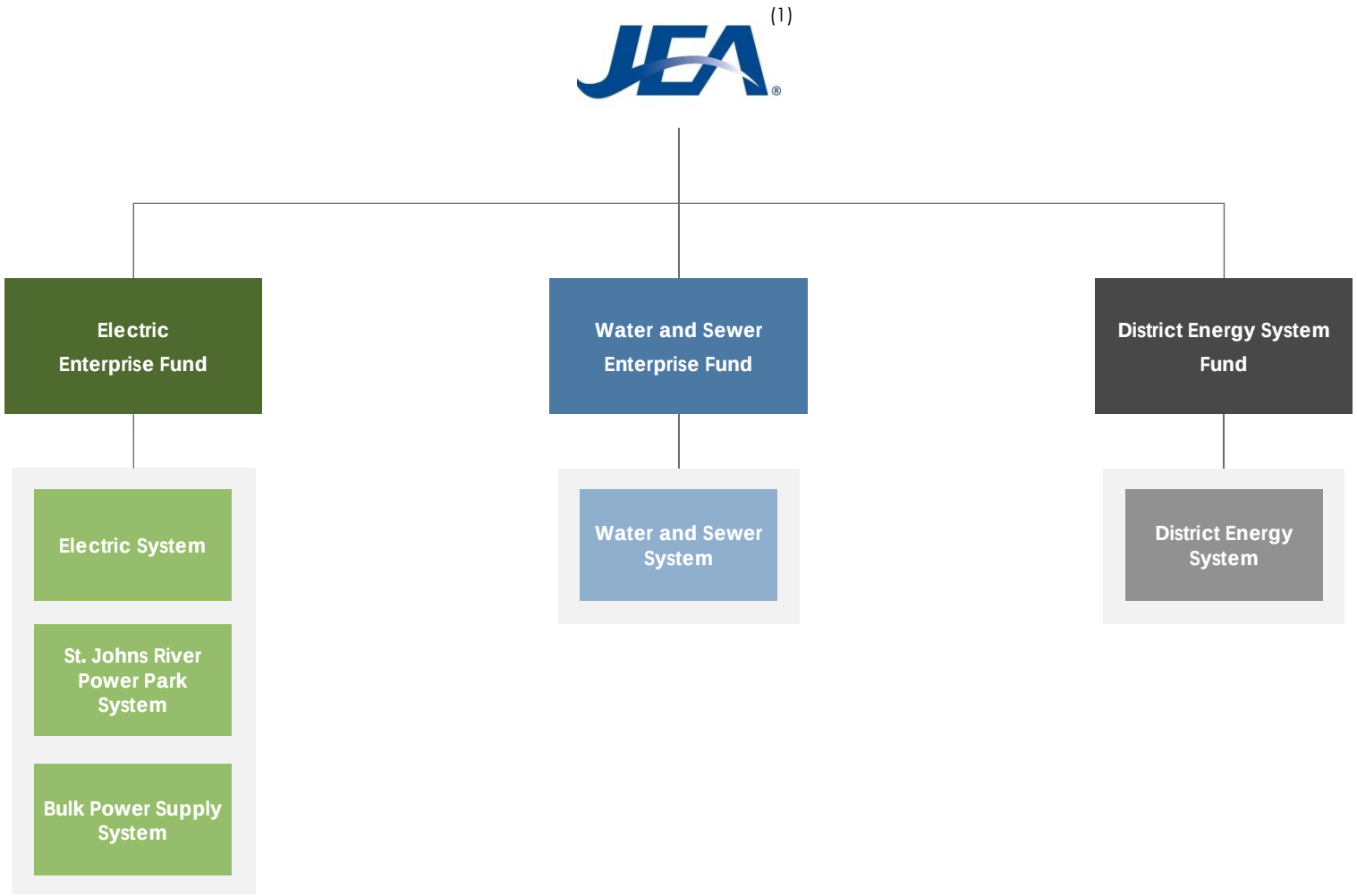
Ideas:

Every one of us has a voice. JEA should have a culture of an "Idea Meritocracy." Recognize that having an effective idea meritocracy requires that ideas be encouraged and brought forward constructively. We understand content and merit of each person's ideas before agreeing or disagreeing. Disagreeing must be done efficiently and respectfully. Recognize and learn how to get beyond disagreements. Once a decision is made for the benefit of the organization; everyone should get behind it even though individuals may still disagree

Demographics

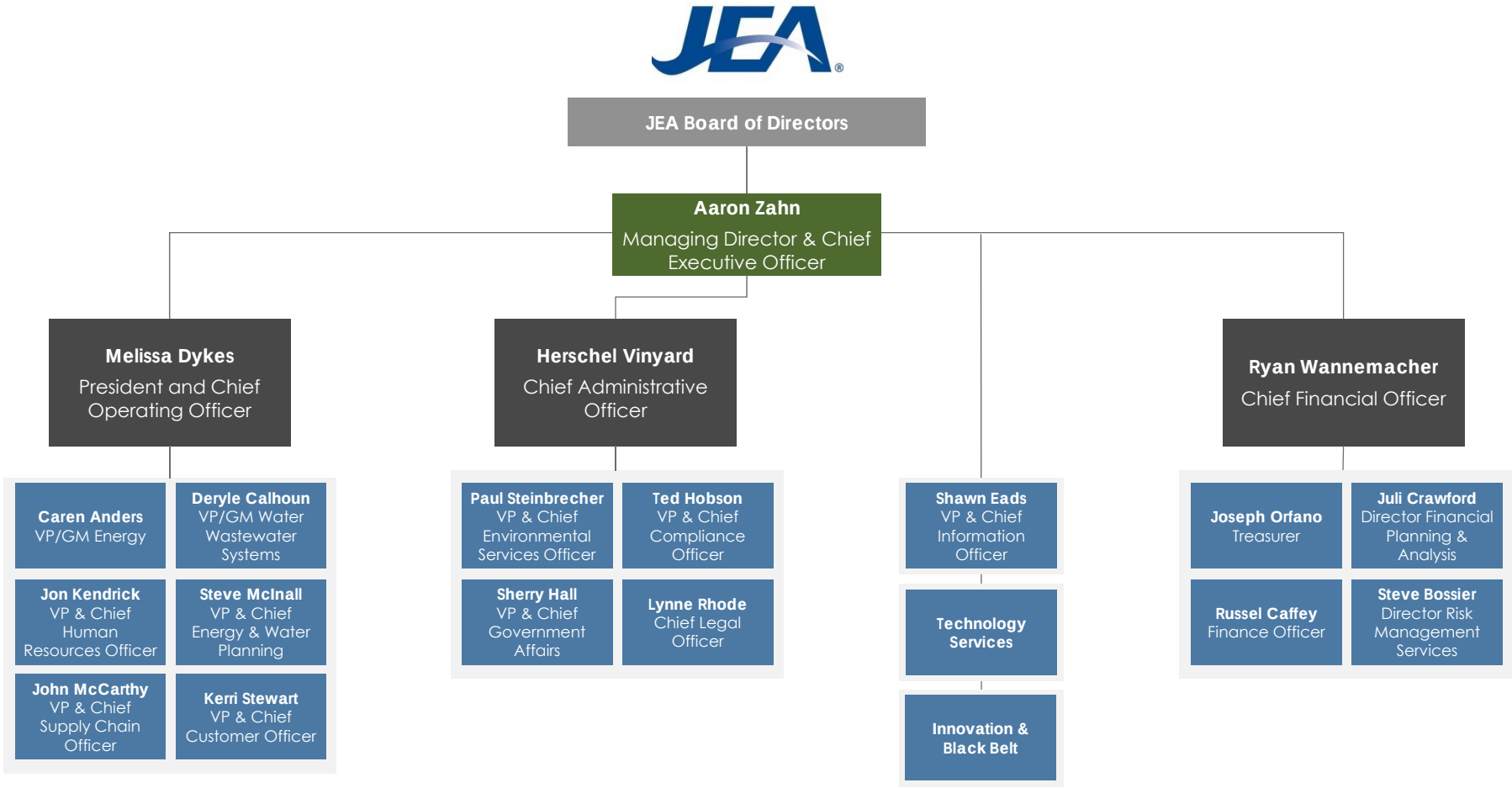
TBU – Slides to be received from JEA

Corporate Organizational Chart



Note:
1. The JEA Fiber Optic network is a diverse network traversing the majority of Jacksonville. The network connects JEA's electric substations, electric generation facilities, water plants, wastewater facilities, lift stations, and all JEA's Operations facilities. The fiber strand count varies throughout the fiber network with approximately 70% of the assets located overhead on Electric Distribution and Transmission structures and 30% underground in conduits. The fiber located on Electric Transmission structures may have limited use due to property easement restrictions.

Leadership Team



Best-in-Class management team with extensive utility experience

Energy System Organizational Chart

Overview

TBU – Slides to be received from JEA

Water and Sewer System Organizational Chart

Overview

TBU – Slides to be received from JEA

Financial Services Organizational Chart

Overview

TBU – Slides to be received from JEA

Customer Organizational Chart

Overview

TBU – Slides to be received from JEA

Human Resources Organizational Chart

Overview

TBU – Slides to be received from JEA

Planning Organizational Chart

Overview

TBU – Slides to be received from JEA

IT & Innovation Organizational Chart

Overview

TBU – Slides to be received from JEA

Supply Chain Organizational Chart

Overview

TBU – Slides to be received from JEA

Environmental Services Organizational Chart

Overview

TBU – Slides to be received from JEA

Compliance Organizational Chart

Overview

TBU – Slides to be received from JEA

Overview of Collective Bargaining Agreements

TBU – Slides to be received from JEA

Labor Contracts

Overview

TBU – Slides to be received from JEA

Labor Contracts

Overview

TBU – Slides to be received from JEA

Safety Program

Overview

TBU – Slides to be received from JEA

JEA's Community Impact Initiatives

JEA has become an integral asset of the northeast Florida community, providing volunteer, educational and financial assistance to various charities and community partners to improve the lives of those we serve

Volunteer Program

More than 600 JEA employees volunteered 7,183 hours in FY 2018/2019 to provide energy and time assisting more than 100 charitable organizations across our service territory

Ambassador Program

More than 300 JEA employees conducted or attended 724 activities over the course of FY 2018/2019 to educate our customer base on programs, services and conservation

Educational Programs

Through various programs developed and implemented by JEA employees for Duval Public School System schools, students and teachers from 1st through 12th grade have access to a variety of educational resources, activities and classes throughout the school year

JEA Employee Giving Campaigns

More than $400,000 has been donated by JEA employees in FY 2018/2019 towards the United Way and Community Health Charities

Recent JEA Awards

J.D. POWER
ELECTRIC RESIDENTIAL CUSTOMER SATISFACTION
First Quartile, 2019

FIRST COAST WORKSITE WELLNESS COUNCIL
2019 HEALTHIEST COMPANIES
Platinum Level

CHARTWELL
BEST PRACTICES IN OUTAGE COMMUNICATIONS
2019 Silver Award

FLORIDA MUNICIPAL ELECTRIC ASSOCIATION
TOP THREE PLACEMENT, ALL EVENTS
2nd Place Overall, 2019

FLORIDA WATER ENVIRONMENT ASSOCIATION
2019 EARL B. PHELPS AWARD
2019 EXCELLENCE IN BENCHMARKING
2018 SAFETY AWARD

INTERNATIONAL LINEMAN MUSEUM & HALL OF FAME
2019 INDUCTEE

TREE LINE USA
TREE LINE USA DESIGNATION AWARD
8-time Recipient

RELIABLE PUBLIC POWER PROVIDER
2019 RP3 DIAMOND DESIGNATION

PUBLIC RELATIONS SOCIETY OF AMERICA
THE FATBERG INVASION
2019 RADIANCE AWARD, BEST SOCIAL MEDIA PROGRAM
2019 BEST OF SUNSHINE AWARD, TOP OVERALL CAMPAIGN

FORBES
2019 AMERICA'S BEST EMPLOYERS LIST

811
811 LOCATOR EXCELLENCE AWARD

E SOURCE FORUM
THE FATBERG INVASION
2019 TOP HONORS
SAFETY AND EMERGENCY AD DIVISION

Section 10

Financial Overview

Rate Base Overview

Summary Overview of FTI's Analysis of Rate Base for Electric and Water and Wastewater Systems

- FTI completed an analysis of JEA's Electric System balance sheet and the adjustments that would be made to each pro forma balance sheet account for purposes of the Respondent Financial Model
- For each account, FTI determined whether a balance would transfer to the NewCo upon completion of the transaction
  - If it would, no adjustment was made and the JEA current balance serves as an input to the pro formas in the Respondent Financial Model
  - In some cases, assets or liabilities would be eliminated/liquidated or the account balance would remain with JEA following closing of the transaction. In those instances, an adjustment was made so that the starting point of the Respondent Financial Model would accurately reflect the assets and liabilities that transferred with JEA upon closing the transaction

Balance Sheet Adjustments	
	Elimination of cash and investment balances currently on hand to pay down debt or other purposes by JEA – these assets, some of which have offsetting liability accounts, will be liquidated and used to defease debt or for some other purpose and, as such, will not be included in the assets of the NewCo
	Assets that will be extinguished because JEA's pension obligations will be extinguished at the closing of the transaction. As a condition of the sale, JEA is meeting all outstanding pension obligations for its current employees. As such, these accounts are eliminated and are not transferred to the NewCo
	Miscellaneous adjustments, which will net against either debt or net position (equity) accounts that define total capitalization post adjustments

Electric System Starting Rate Base Build
($MM)

Beginning September 30, 2019 Electric System Utility Plant	**2,684**
(+) Capex	224
(-) Accounting Depreciation	(231)
(+) Net Working Capital & Other Net Regulatory Assets	441
(+/-) Accumulated Deferred Tax Assets / (Liabilities)	18
September 30, 2020 Rate Base	**3,136**

Water System Starting Rate Base Build
($MM)

Beginning September 30, 2019 Water System Utility Plant	**2,476**
(+) Capex	237
(-) Accounting Depreciation	(162)
(+) Net Working Capital & Other Net Regulatory Assets	89
(+/-) Accumulated Deferred Tax Assets / (Liabilities)	15
September 30, 2020 Rate Base	**2,655**

Note:
1. See JEA ITN Regulatory Report for additional detail and fulsome analysis

JEA Has Taken a Structured Approach to Building Its 2030 Strategy

Work JEA has undertaken to date to build the strategy

Transition

- Develop guiding principles and strategic framework, corporate dashboard, and financial tools to support strategy assessment

Establish baseline

- Assess current "business as usual" financial projection

Strategy development

- Design strategies to meet future targets and challenges
  - "Traditional" response (within existing charter)
  - 2030 Strategy, "Non-traditional" unconstrained strategy

Core guidelines of the strategy

- **Build from the baseline**
  - Assess the strategy relative to the baseline as outlined in the May Board package
- **Apply a non-governmental lens**
  - Assume a regulated rate base and corresponding revenue requirement
- **Take an unconstrained view**
  - Assume JEA can alleviate the constraints associated with JEA's existing charter
- **Contemplate strategic partners**
  - Assume JEA can access the capital and capabilities required to execute the strategy through partnerships

As part of its 2030 strategy, JEA will implement the initiatives that JEA's Senior Leadership Team ("SLT") incorporated into their 2030 strategy base case projections

JEA's 2030 Strategy Involves Executing a Portfolio of Initiatives that Are Organized into Four Categories

Initiative Category		Description	
1 Operational improvements		**Increase the efficiency and productivity of JEA's operations and O&M and capex spend** to create investment headroom to reinvest, to support customer affordability, and to improve service quality and performance outcomes	**Reflected in Respondent Financial Model**
2 Strategic capital investments		**Make incremental capital investments in JEA's core, existing utility businesses** that expand the capabilities of JEA's infrastructure to serve customers while growing earnings and the regulated asset base	**Partially Reflected in Respondent Financial Model**
3 Core growth opportunities		**Invest in new growth businesses** – both within the regulated utility and beyond it – that grow JEA's earnings through delivery of new services and solutions to JEA stakeholders	**Partially Reflected in Respondent Financial Model**
4 Additional growth opportunities		**Identified additional growth initiatives** that position JEA as a growth platform	**Additional Upside Not Reflected in Respondent Financial Model**

Historical Financial Metrics

Notes:

Five Year Capital Spend & Drivers

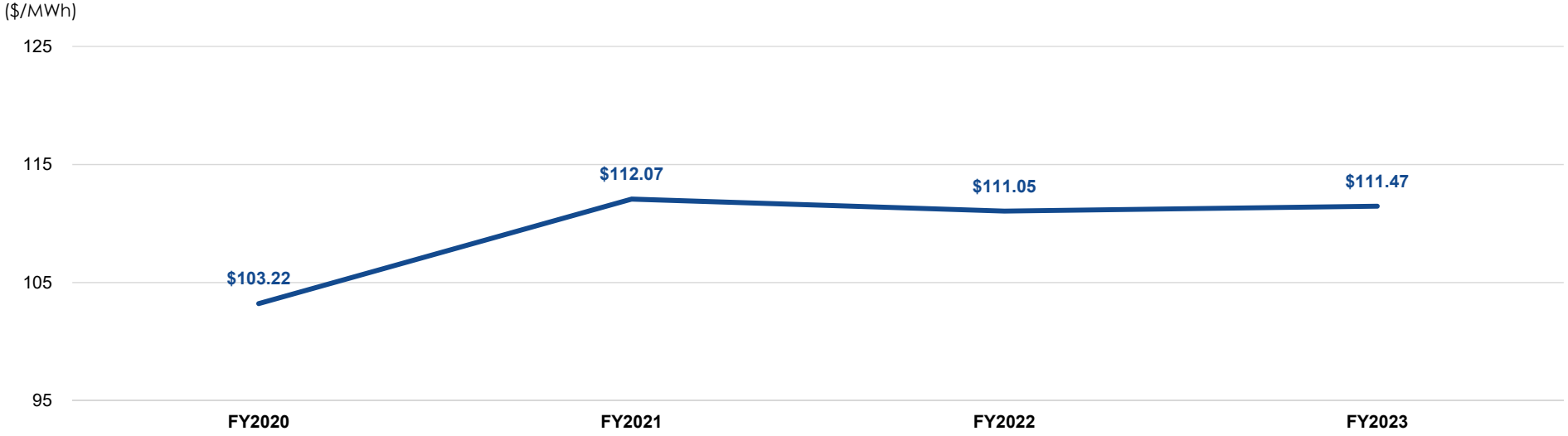
Notes:

O&M Five Year Spend and Drivers

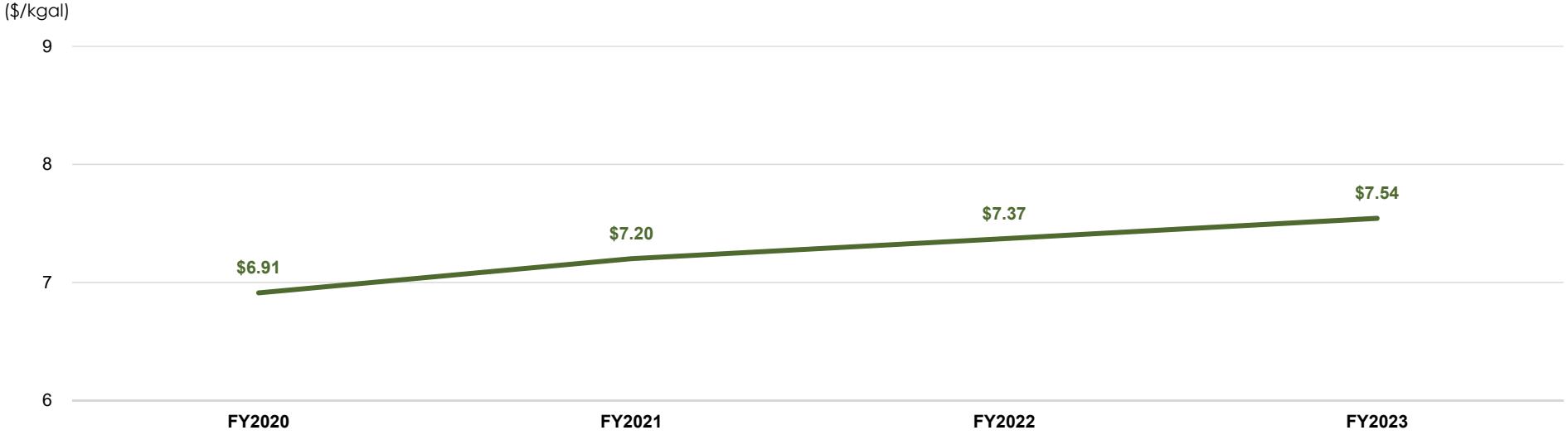
Notes:

Projected Customer Rates for Electric System and Water and Wastewater Systems

Electric System All-In Rate Projection

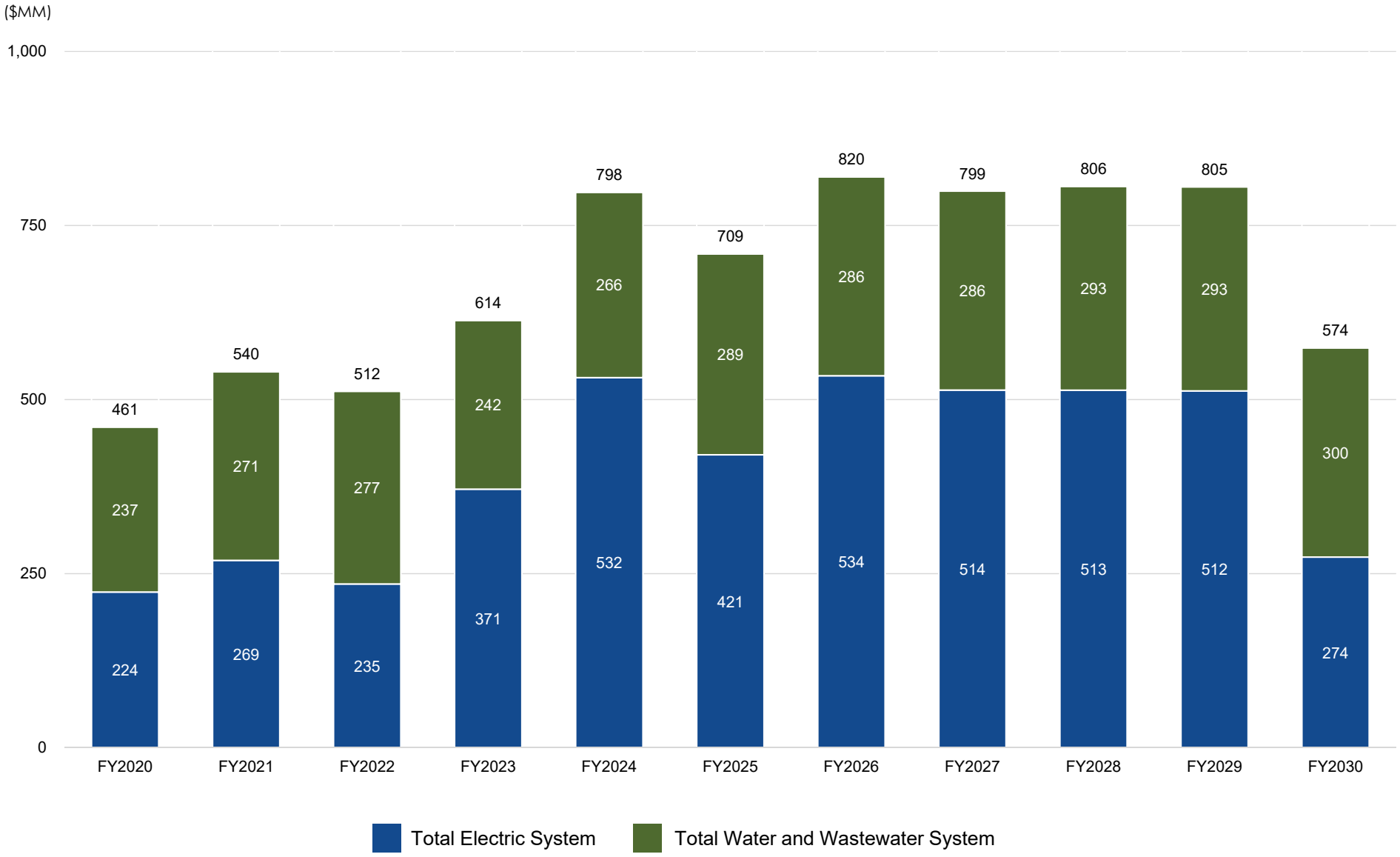


Water and Wastewater All-In Rate Projection



Capital Expenditures Projections

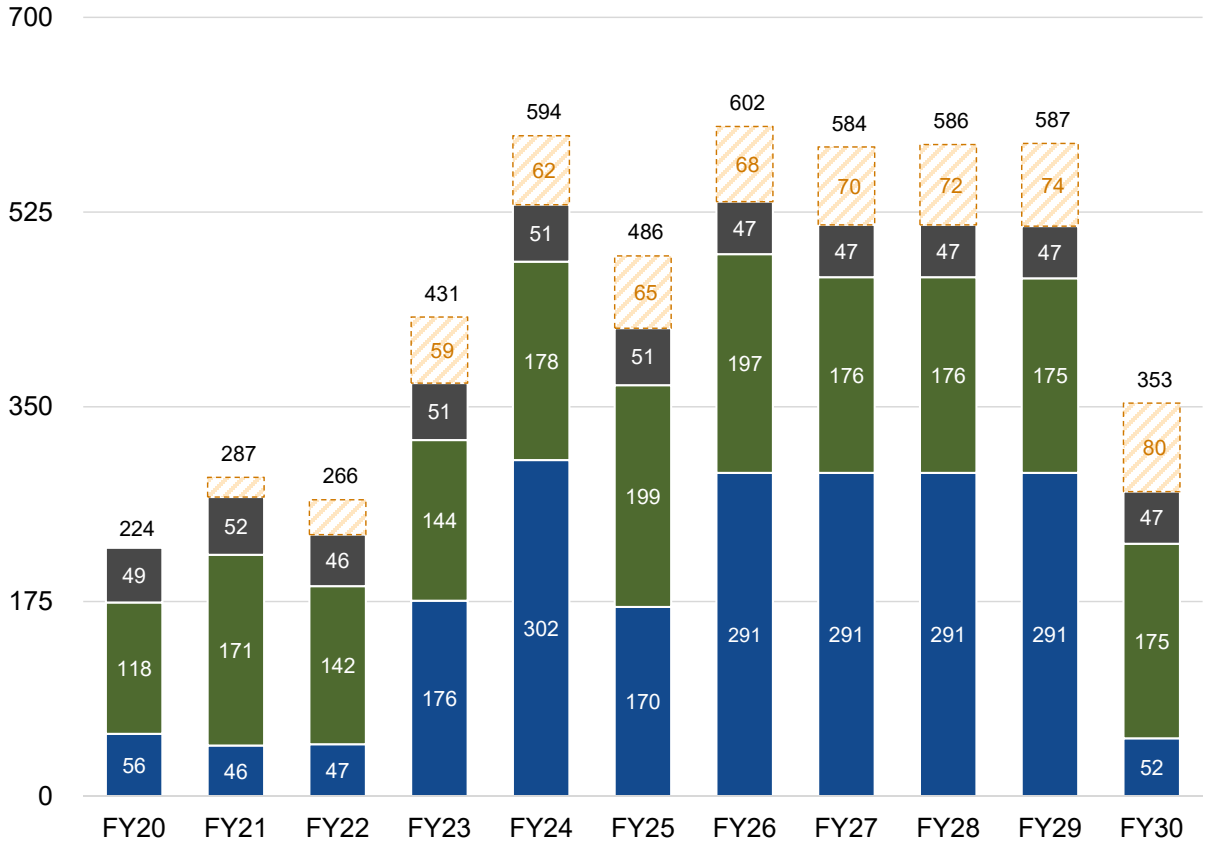
Capital Expenditure Projections



Electric System | Planned Capital Expenditures

Forecasted Spend ($MM) (1)(2)

~$4.4Bn in CapEx forecasted between 2020 and 2030



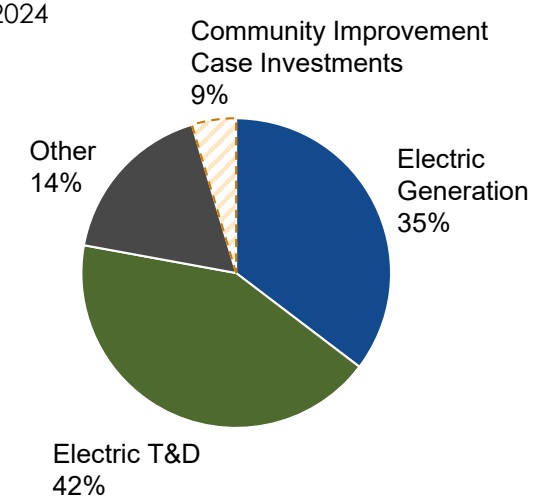
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Management Case CapEx	224	269	235	371	532	421	534	514	513	512	274
Total CapEx	224	287	266	431	594	486	602	584	586	587	353

Electric Generation | Electric T&D | Other | Community Improvement Case Investments

Source: Company Projections

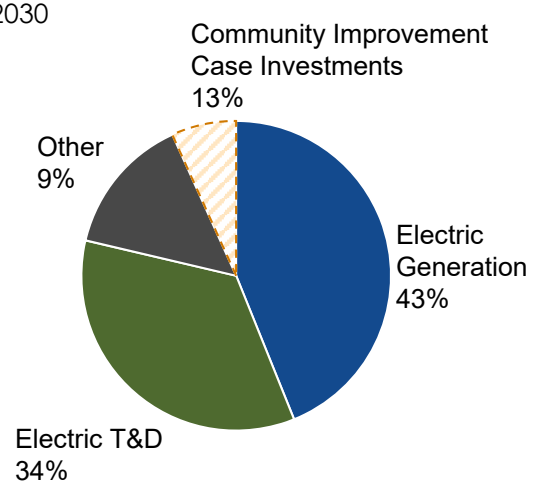
Total Projected Capex ($MM)

2020 – 2024



Total Projected Capex ($MM)

2025 – 2030

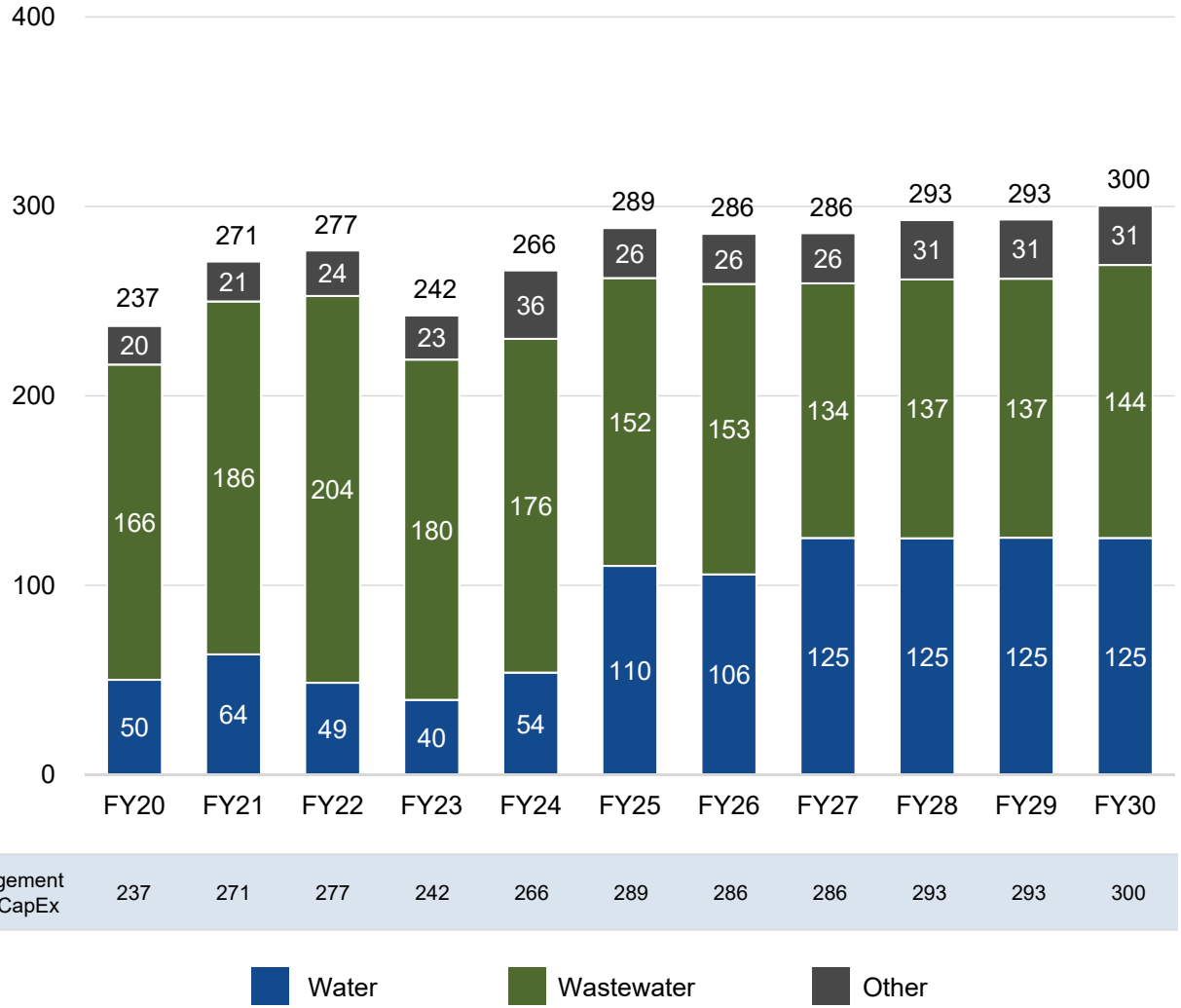


Notes:
1. Excludes Complete and Cancelled Projects and any non-regulated CapEx associated Community Improvement Case Investment
2. $770MM of the total $1,852MM Electric T&D CapEx or 42% and $151MM of the total $536MM Other CapEx or 28% over years 2020-2030 is associated with Management Initiatives

Water & Wastewater Systems | Planned Capital Expenditures

Forecasted Spend ($MM) (1)(2)

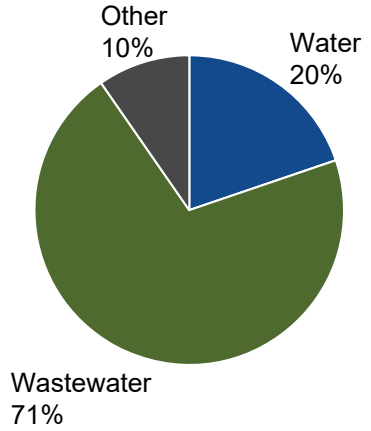
~$3.0Bn in CapEx forecasted between 2020 and 2030



Management Case CapEx	237	271	277	242	266	289	286	286	293	293	300

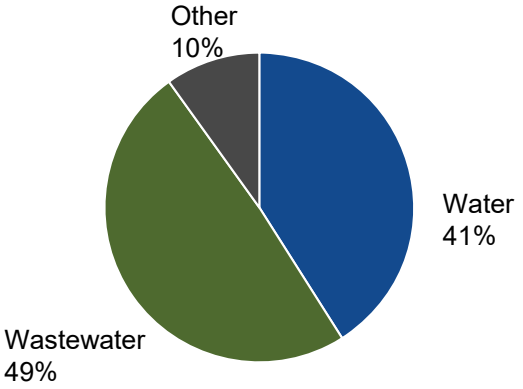
Total Projected Capex ($MM)

2020 – 2024



Total Projected Capex ($MM)

2025 – 2030



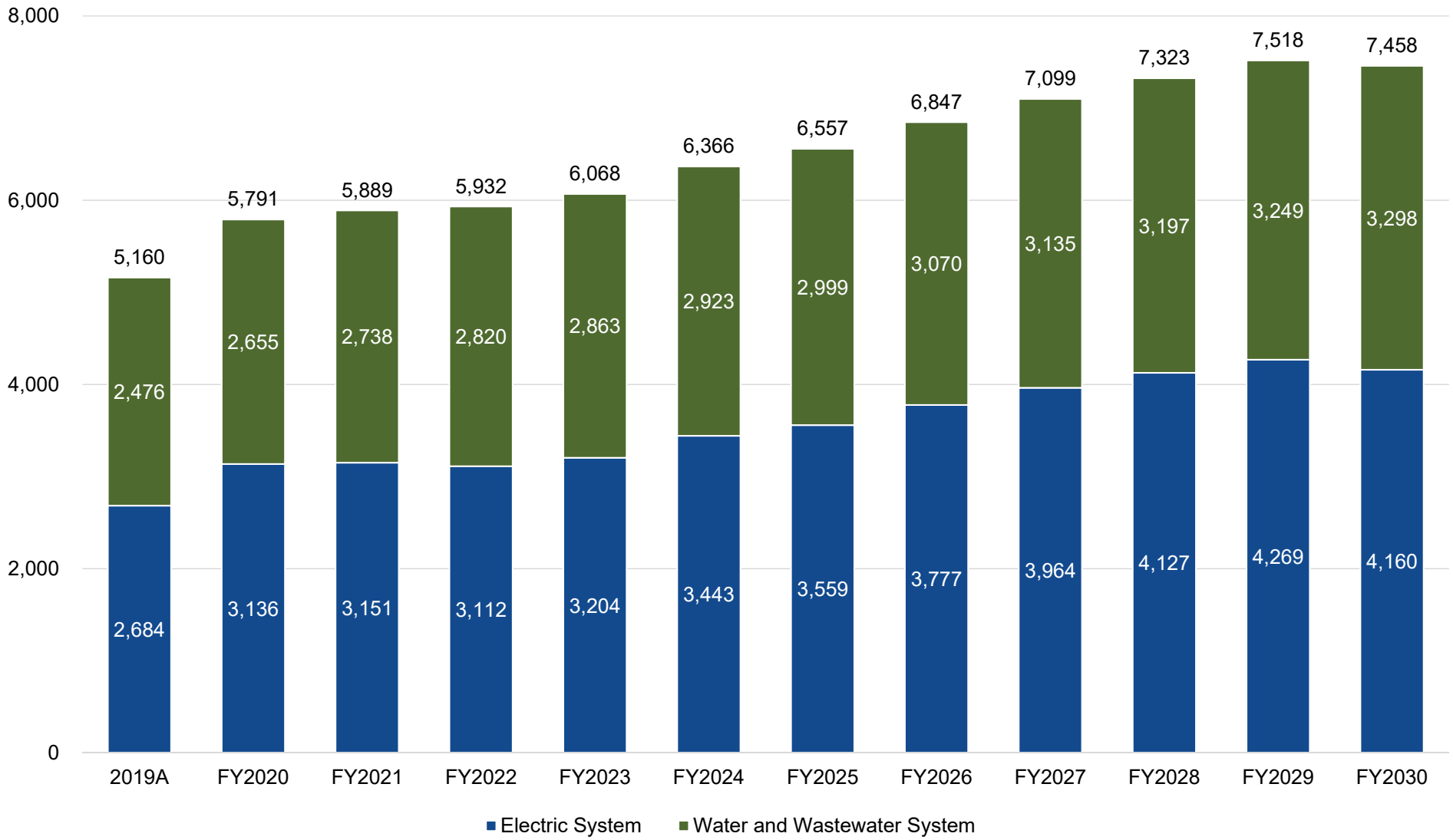
Source: Company Projections

Notes:
1. Excludes Complete or Cancelled Projects
2. $410MM of the total $972MM Water CapEx or 42% and $440MM of the total $1,770MM Wastewater CapEx or 25% over years 2020-2030 is associated with Management Initiatives

Rate Base Projections

Rate Base Projections

($MM)



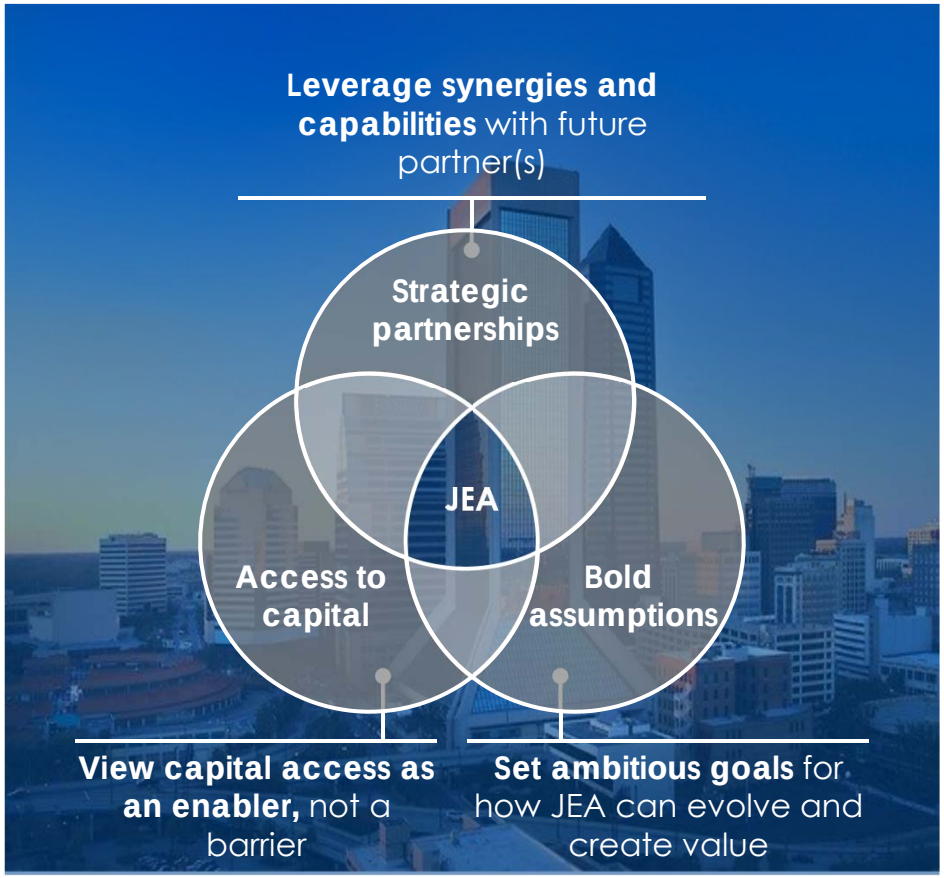
Section 11

Platform Growth Opportunities

4 Upside Not Reflected in the Respondent Financial Model: Additional Growth Opportunities Harness Market Trends to Build Ambitious Businesses at a Larger Geographic and Commercial Scale, Driving Significant Value Creation

Additional Growth Opportunities are outside of the core utility construct…

…and involve building a well-balanced set of dynamic, high value businesses operating beyond JEA's service territory



A **Increase JEA's water footprint via acquisition**, using its top quartile operational performance and capabilities to provide more efficient, affordable services across Florida

B Substantially **grow JEA's customer base for the District Energy System** by executing the Lot J development and the larger master plan, with over 4 million of concentrated development

C **Increase dark fiber leasing** as JEA invests in its digital communications network to ensure it can provide the speed and capacity needed by new, distributed smart assets at the grid edge

D **Monetize SJRPP and other owned land parcels** for new development projects, such as a liquefied natural gas facility, dedicated port or rail facility, large data center with back-up generation, or new generation facility (already permitted)

E Become the premier **future solutions homes supplier** in Florida, providing resource efficient, optimized ecosystems of products and services for homes and communities

Additional Growth Opportunities Not Reflected in Respondent Financial Model

Additional Growth Opportunities:

A Water System Opportunities

- Financial projections do not consider the potential upside from expansion of the Water and Wastewater System through local water utility system acquisitions, similar to the near-term opportunity presented by the current Mayport Naval Station RFP contemplating transfer of ownership and management of its of the wastewater utility system

B District Energy Expansion Opportunities

- Financial projections do not reflect the potential to add additional customers as a part of the Lot J development and the larger master plan that encompasses over 4 million square feet of concentrated development

C Dark Fiber Growth Opportunities

- Financial projections do not include further monetization of excess capacity of JEA's fiber-optic network through 3rd party leases
- Proliferation of smart, distributed devices will likely require increases in network capacity and speed, supporting expansion of the fiber-optic network

D Owned Land Opportunities

- Financial projections do not capture potential to monetize JEA's land and other owned land parcels for the following potential uses:
  - Liquefied Natural Gas Facility
  - Large Wholesale Data Center with dedicated generation
  - Dedicated Port and/or Rail Facility
  - New Generation Facility (Currently Permitted)

E Emerging Future Homes Opportunities

- Financial projections do not include opportunities to participate in the emerging Future Homes market
- JEA's deep expertise in the engineering, management, and maintenance of energy and water systems would be valuable to many potential partners seeking to develop integrated home solutions for resilience, resource efficiency, and automation/control

Financial projections do not account for numerous tangible sources of potential upside

A Water System Opportunities

Sine 2000, JEA has acquired numerous local utilities in the greater Jacksonville area

Target	Seller	Announcement Date	# of Water Connections (1)	# of Sewer Connections (1)	Transaction Value ($MM)
Gate Maritime	Gate Maritime Properties, Inc.	6/13/2000	NA	NA	$1.0
Regency Utilities	Regency Utilities Inc.	4/10/2001	NA	NA	$7.7
United Water	United Water Florida LLC	12/28/2001	37,000	37,000	$219.0
Florida Water	Florida Water Services Corporation	10/15/2003	5,800	5,300	$25.0
Nocatee	Nocatee Utility Corporation	12/6/2004	17,500 (2)	17,500 (2)	$2.3
St. Joe	St. Joe Utilities Company	12/22/2004	8,600 (2)	8,600 (2)	$2.3
Total			**68,900**	**68,400**	**$257.2**

JEA has the historically-proven ability to expand its footprint through strategic acquisitions of nearby community owned utilities

Notes:
1. Approximated connection figures
2. Estimated connections at build out

A Water System Opportunities (cont'd)

JEA has or could build this capability internally

JEA would likely need to partner to build this capability

Overview

Water/wastewater utilities face increasing pressures, but have limited ability to respond…

- Florida water utilities will require $10B through 2030 to replace aging infrastructure
- US water bills increased ~6% since 2010, while average consumption has decreased
- Water / wastewater regulations increased 40% between 2010-17. FL lawmakers are considering new environmental standards, but few utilities have the expertise to meet these regulations

…a high performer with operational excellence and access to capital can radically transform FL water/Wastewater utilities

- JEA is a top performing water/wastewater utility that has maintained high quality operations while keeping rates below Florida's mean
  - The average water utility's O&M/customer spend is 4x higher than JEA's, and wastewater O&M/customer spend is 5% higher
- JEA is a leader in environmental water quality, and can help Northeast Florida utilities meet and exceed environmental standards

THE OPPORTUNITY

THE BUSINESS MODEL

How JEA will capture value

JEA will acquire and transform nearby water utilities along major Florida transit routes, becoming a roll-up platform for water services by doing the following:

- Bring acquired utilities up to top performer status
- Optimize back office services
- Enhance systems through efficient Capex deployment, maintaining affordability across a wide customer base

What it takes for JEA to be successful

- A deep understanding of the water system, regulations, and customer relationships
- A trusting relationship with Florida municipalities and utilities to support smooth acquisition and integration
- Operational expertise in managing regional capital projects, including implementing emerging technologies
- A partner to infuse capital for water acquisition, integration, and system improvements, given 30x P/E multiples [1]

By the numbers – expansion potential			
	Up to 2,950K new customer accounts added by acquiring utilities in Florida	**$1,135M of** potential Opex savings from moving these utilities to JEA's efficiency [2]	**$930M** run-rate capex investment opportunity through 2030 [3]

JEA can grow its water footprint via acquisition, using its top quartile operational performance and capabilities to provide more efficient, affordable services across Florida

Source: GWI, Circle of Blue, AWWA State of Water Industry 2019, Michigan State University, EPA, Market data, BAML analyst reports, press search, JEA Invitation to Negotiate

Notes:
1. In 2018, water utilities were trading at P/E multiples of ~30x, higher than electric (~19x) and gas (~21x) utilities
2. Assumes Northeast Florida utilities' cost profiles resemble the national average, as benchmarked by AWWA, and that JEA can improve O&M/customer spend to JEA's levels by 2030
3. Assumes JEA will invest Capex at 50% of the rate of its core business (including baseline Capex spend and incremental Strategic Capital investments in water)

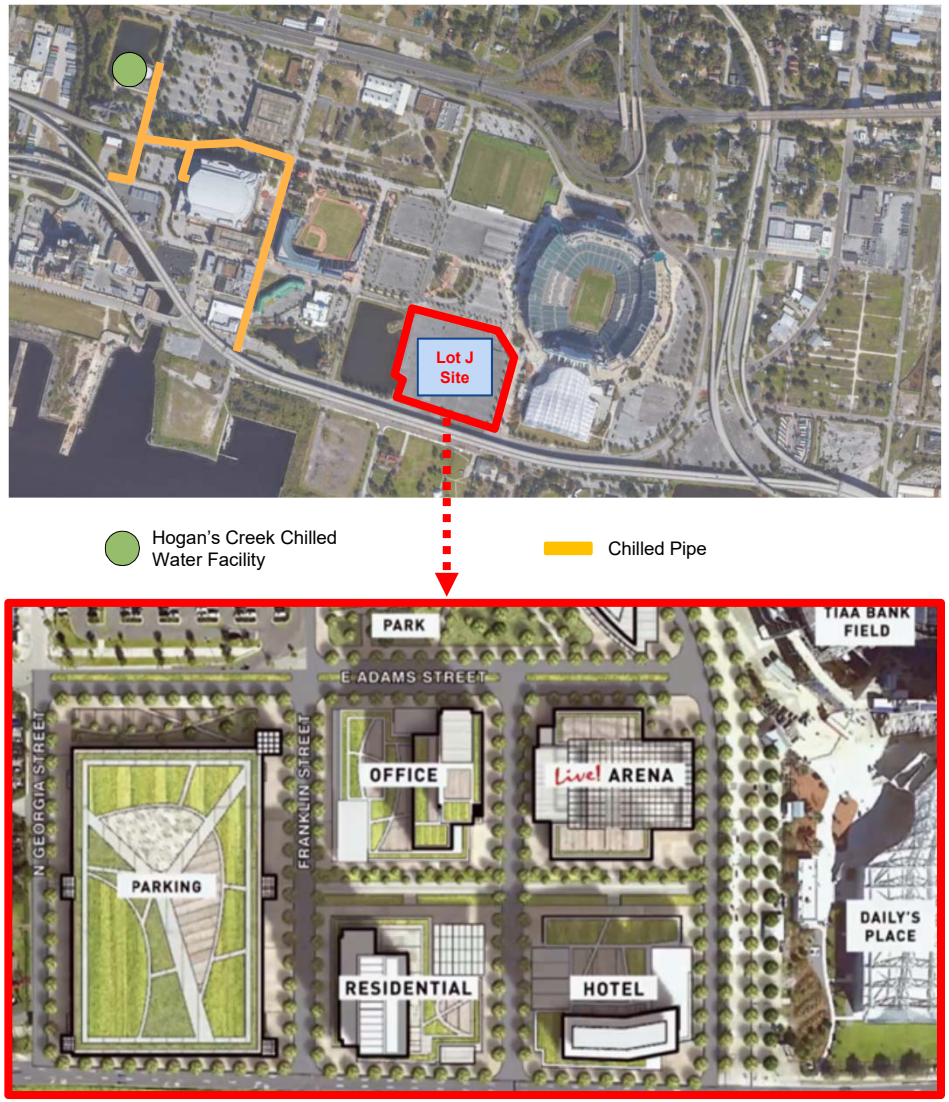
B District Energy Expansion Opportunities | Lot J Development

Lot J Development Overview

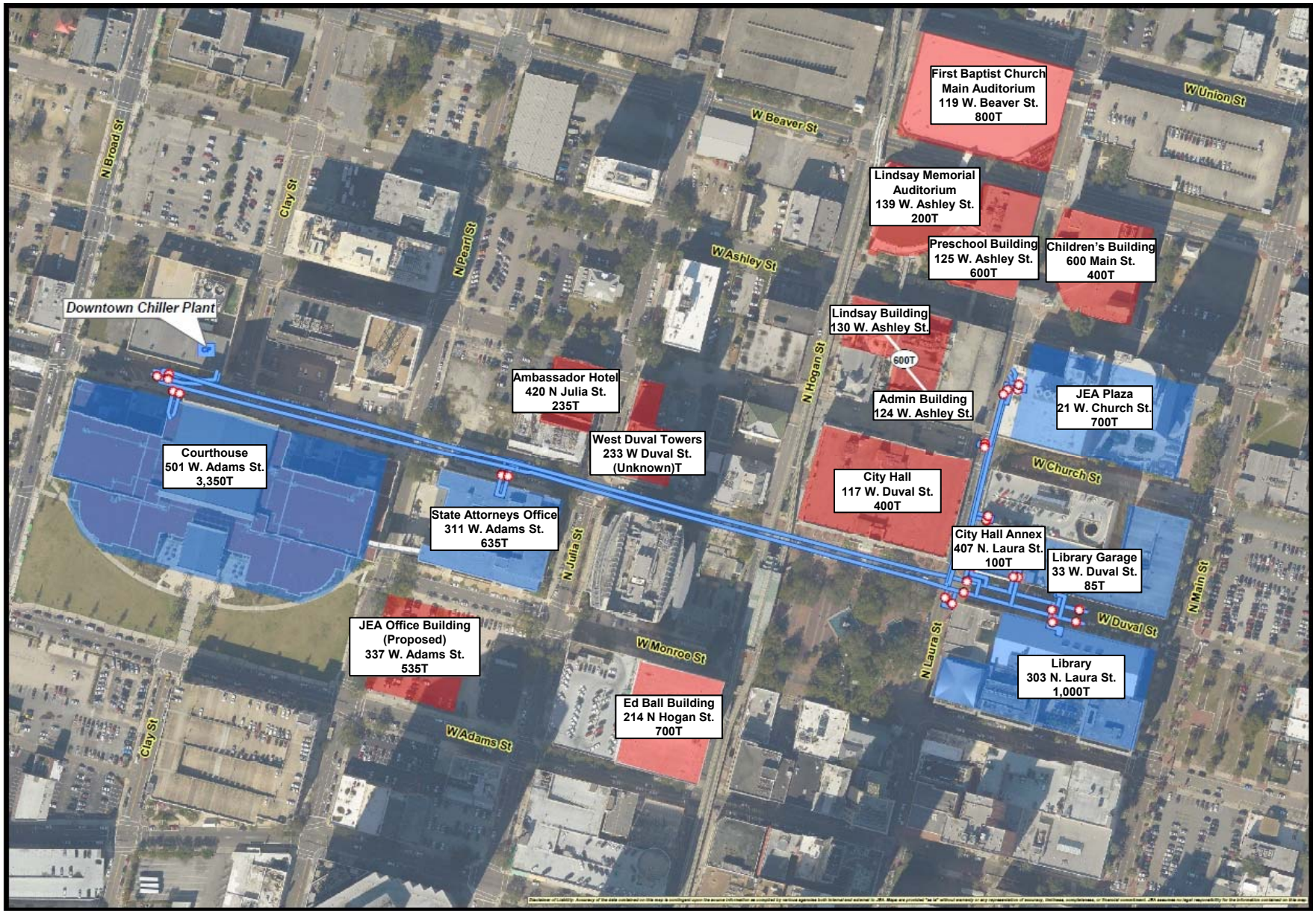
- On July 31, 2019, the City of Jacksonville announced an agreement with the Jacksonville Jaguars to invest and redevelop land, known as "Lot J", located adjacent to TIAA Bank Field
  - Development plans for Lot J include a high-rise apartment building, a boutique hotel, office space, a live entertainment venue, and 13,000 parking spaces
  - As part of the agreement, the City would provide more than $230 million in grants and infrastructure improvements
  - The remaining $220 million of investment will be provided by the Jacksonville Jaguars
- Under the Lot J agreement, the City would give developers the land for the Lot J high-rise tower(s), the boutique hotel, the office tower and a mid-rise residential building or buildings
- The City has pledged $92.8 million in infrastructure improvements in the area including necessary utility upgrades
- Development is expected to begin in 2Q2020
- The Lot J project is part of a larger overall master plan that could reach $2.5 billion and extend to the nearby shipyards, encompassing over 4 million square feet

JEA District Energy System Growth Opportunity

- Given the close proximity of Lot J to JEA's Hogan's Creek chilled water facility and existing JEA District Energy System infrastructure, the Lot J development is a tangible opportunity for expansion of the system
  - Concentrated development provides ability to acquire customers at scale at a lower infrastructure investment cost
- Potential for additional development outside of Lot J as part of the larger master plan offers incremental opportunities for customer acquisition



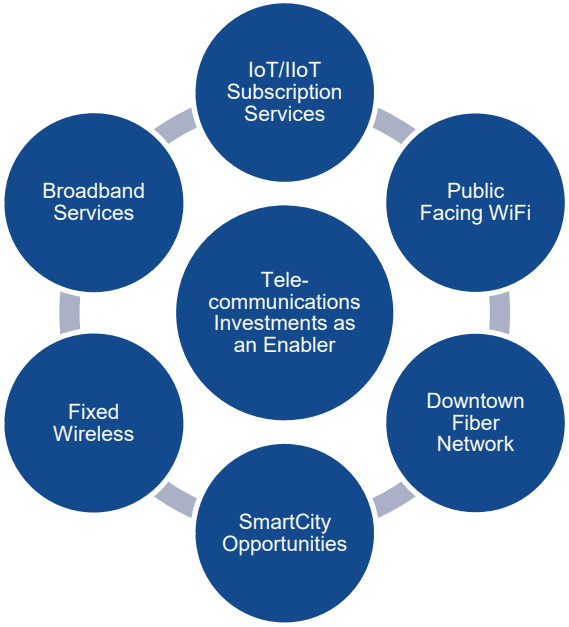
B Downtown Expansion Opportunities



C Dark Fiber Growth Opportunities

Overview

- Proliferation of smart, distributed devices will likely require increases in network capacity and speed, supporting expansion of the fiber-optic network
- Increase dark fiber leasing as JEA invests in its digital communications network to ensure it can provide the speed and capacity needed by new, distributed smart assets at the grid edge
- By investing in telecommunications infrastructure, JEA can enable improved operations and community development while enhancing returns



IoT/IIoT Subscription Services

- Leverages JEA field network resources
- Monetizes investments with recurring revenue

Public Facing WiFi

- Extend JEA messaging and commitment to community services
- Leverages underlying network for JEA/public use
- Advertising revenue

Downtown Fiber Network

- Unique opportunity to leverage infrastructure to connect
- JaxNAP located downtown

SmartCity Opportunities

- Innovation corridor launched on Bay St downtown
- Opportunity for further community advancement through utility investment

Fixed Wireless

- Utilize JEA towers and fiber network to provide core wireless network
- Sub-core network on JEA street lights and other vertical infrastructure

Broadband Services

- Existing infrastructure provides competitive advantage for entry
- High-margin proposition

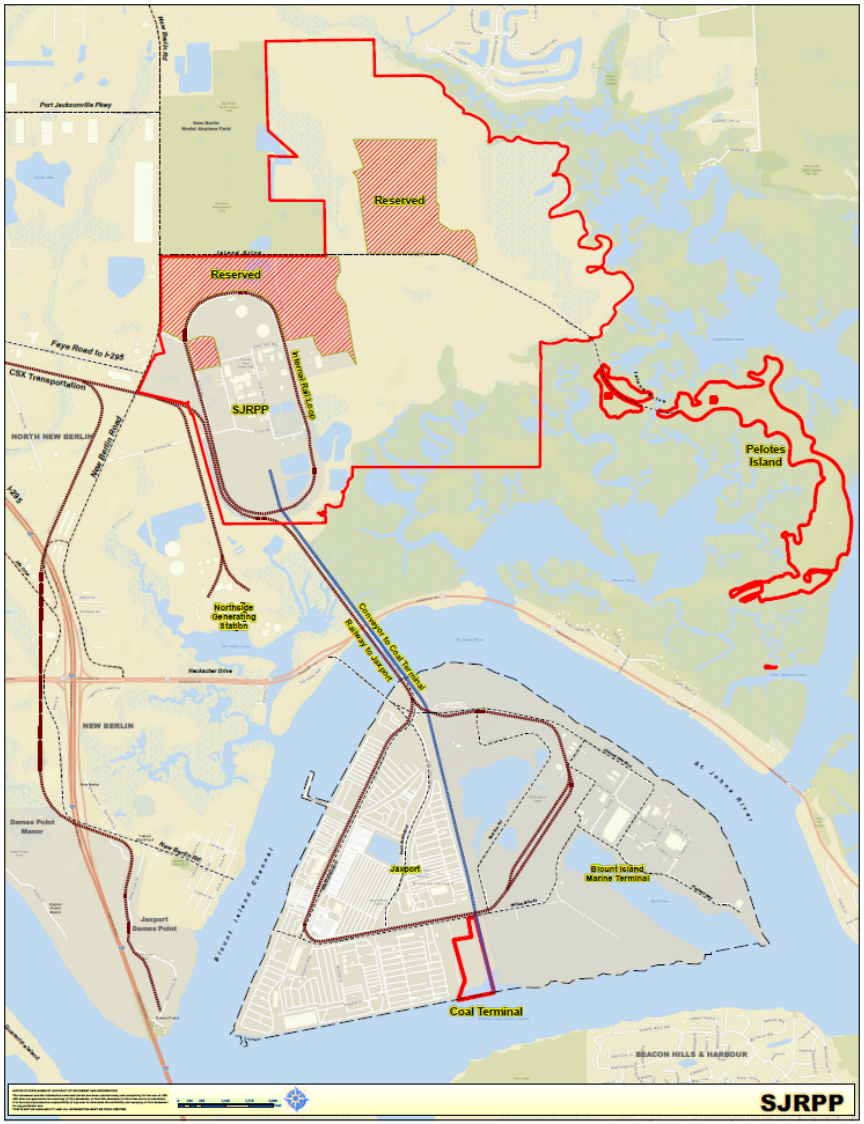
D Owned Land Opportunities | St. Johns River Power Park

History

- Until it was closed in January 2018, the SJRPP was a large coal-fired electric generating plant, featuring two turbine/generators that each supplied 632 MW to the transmission grid
- When the plant was constructed in the early 1980s, it was the largest construction project in Jacksonville's history, taking six years to build, at a cost of $1.45 billion
- Facility is jointly owned by JEA – 80% share, and Florida Power and Light – 20% portion
- After nearly 30 years in service, SJRPP closed on January 5, 2018. Catalytic reactors, cooling towers and smokestacks were imploded
  – Demolition and site remediation will continue until mid-2020
- Decommissioned plant is located on a 1,600 acre site in Northeast Jacksonville
- JEA will retain 100% of site ownership at the completion of remediation; therefore, site is included as part of the generation portfolio

The Future of SJRPP

- Decommission of the generation site creates an extremely unique opportunity for JEA, freeing up a large, unencumbered parcel of land that is accessible by water for a variety of import/export uses
- Other potential uses of the asset include:
  – Dedicated port facility
  – New generation facility (currently permitted)
  – Large wholesale data center w/ dedicated generation
  – Property sales for redevelopment reflected in "Management Sales Initiatives" HoldCo revenue in Respondent Financial Model



Closing the Power Park reduces JEA carbon emissions by 30% and saves $50 million in operating expenses per year

Source: JEA internal data

E Emerging Future Homes Opportunities

Overview

JEA has or could build this capability internally

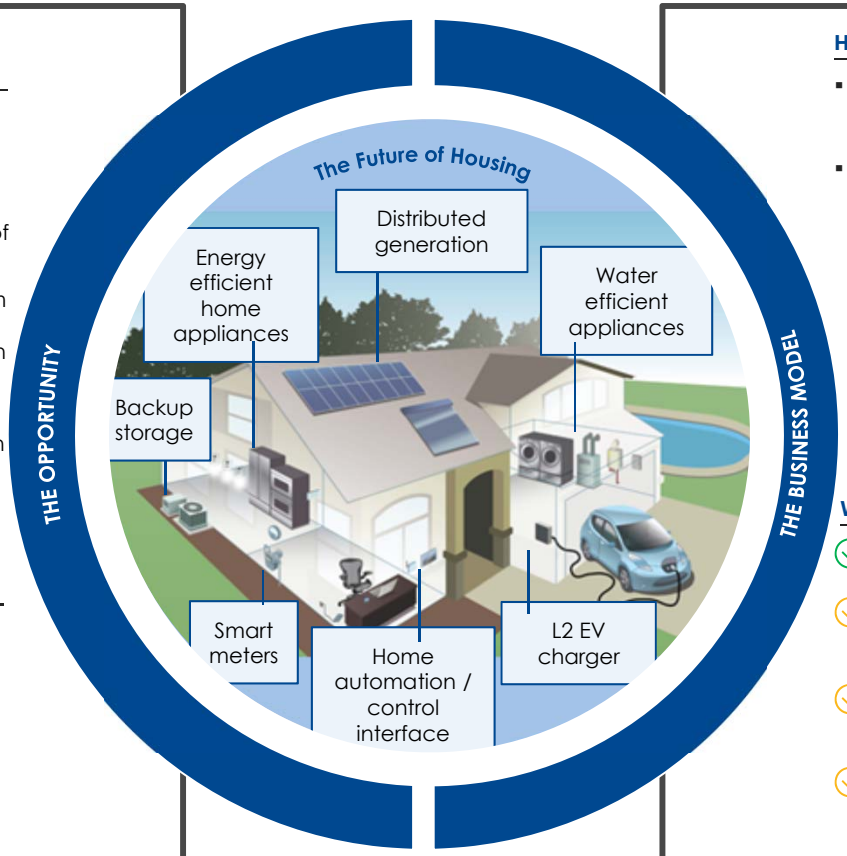
JEA would likely need to partner to build this capability

The Home of the Future will be fully automated, efficient, and resilient…

- The confluence of automation and energy / water efficiency is revolutionizing homes
  - The home control/ automation market is fast growing, with over 30% growth projected through 2022, and $39B worth of system sales in the US in 2019
  - Energy efficiency is becoming mainstream – ACEEE estimates that emerging EE technologies can reduce consumption an additional 40-60% by 2050
- As Florida storms become more frequent and intense, customers are increasingly interested in resiliency products

…but there is not yet a clear "winner" in the Future Homes solutions space

- Recent market growth is fragmented across appliance contracting, energy services, and technology, stalling further adoption
- Utilities sit at the nexus of these industries, and have the relationships (e.g., with customers, contractors) and capabilities to tap into the nascent Future Homes market



How JEA can capture value

- JEA will provide a packaged set of Future Homes solutions to revolutionize housing in Florida
- This business could "play" in the following spaces:
  - Provide engineering, design, and installation services of Future Homes packages for new build developers
  - Offer flexible financing (e.g., "rent to own", tariff financing) to incentivize adoption
  - Maintain and optimize resource use for ecosystems of home devices, using the home as a grid asset
  - Retrofit existing homes and communities

What it takes for JEA to be successful

- Deep energy and water expertise, including system optimization
- A partner with operational capabilities to install and maintain cutting edge home appliances in the crowded contractor market
- A sophisticated marketing and sales organization that can acquire and educate customers outside JEA's current geography
- A financial partner that can underwrite / support flexible financing of customers' end systems

By the numbers – market potential	**2 million** new build homes in FL projected between 2020-30, requiring require nearly **$20B** worth of appliances	Over **1 in 3** 2030 homes could be fully efficient, using recent growth in the home automation market as a proxy[1]	At this trajectory, Homes of the Future can make up a **$1.3B** market in Florida in 2030

JEA has an opportunity to become the premier, smart, efficient homes solutions supplier for Florida developers and communities, providing solutions for resilience, resource efficiency, and automation/control

Source: U.S. Census Bureau (BOC): New Residential Construction (C20, C22); Moody's Analytics Estimated and Forecasted, Alternative Fuels Data Center

Note:

1. The smart thermostat and HVAC market grew 36% p.a. between 2014-18 - whole home systems could follow the same trajectory